



January 23, 2012

HOUSE BILL No. 1009

DIGEST OF HB 1009 (Updated January 20, 2012 9:16 am - DI 107)

Citations Affected: Numerous provisions throughout the Indiana Code.

Synopsis: Technical corrections. Technical corrections bill. Resolves: (1) technical conflicts between differing 2011 amendments to Indiana Code sections; and (2) other technical problems in the Indiana Code, including incorrect statutory references, nonstandard tabulation, grammatical problems, and misspellings. Makes technical corrections and conforming amendments, as required by P.L.229-2011, SECTION 285, related to the repeal and enactment in 2011 of laws concerning the state civil service system. Repeals provisions made obsolete by the 2011 changes in the state civil service system laws.

Effective: Upon passage; July 1, 2012; July 1, 2013.

**Foley, McMillin, Bartlett,
VanDenburgh**

January 9, 2012, read first time and referred to Committee on Judiciary.
January 23, 2012, amended, reported — Do Pass.

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HB 1009—LS 6231/DI 55+



January 23, 2012

Second Regular Session 117th General Assembly (2012)

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 2011 Regular Session of the General Assembly.

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HOUSE BILL No. 1009

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

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

- 1 SECTION 1. IC 1-1-1.1-14, AS ADDED BY P.L.220-2011,
2 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 UPON PASSAGE]: Sec. 14. Section 2 of this chapter does not repeal
4 the following statutes concerning education finance:
5 (1) P.L.65-1985, SECTIONS 1, 7, and 12 (concerning school
6 corporation general fund levies).
7 (2) The following statutes concerning tuition support:
8 P.L.372-1985, SECTION 3; P.L.5-1988, SECTIONS 229 and
9 230; P.L.59-1988, SECTIONS 13 through 16, and 18;
10 P.L.240-1991, SECTION 30; P.L.43-1992, SECTION 19;
11 P.L.277-1993, SECTION 30; P.L.278-1993, SECTION 1;
12 P.L.340-1995, SECTION 30; P.L.30-1996, SECTION 7;
13 P.L.178-2002, SECTION 156; P.L.224-2003, SECTION 31;
14 P.L.276-2003, SECTION 39; P.L.246-2005, SECTION 31;
15 P.L.162-2006, SECTION 58; P.L.234-2007, SECTION 31;
16 P.L.146-2008, SECTION 854. ~~P.L.182-2009, SECTION 38.~~
17 (3) P.L.85-1987, SECTION 5 (concerning school corporation

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- 1 cumulative building fund levies).
- 2 (4) P.L.382-1987, SECTIONS 1 through 12, SECTION 18,
- 3 SECTIONS 27 through 48, and SECTION 51 (concerning school
- 4 finance).
- 5 (5) P.L.59-1991, SECTION 4 (concerning the effect of
- 6 amendments to statutes relating to education finance).
- 7 (6) P.L.277-1993, SECTION 137 (concerning transfer of money
- 8 from excess levy funds).
- 9 (7) P.L.30-1996, SECTION 6 (concerning transfers of money
- 10 between school corporation funds).
- 11 (8) P.L.273-1999, SECTION 159 (concerning primetime
- 12 distributions).
- 13 (9) P.L.3-2000, SECTION 15 (concerning which vocational
- 14 education formula to use in 2001).
- 15 (10) P.L.111-2002, SECTION 12 (concerning transfer tuition).
- 16 (11) P.L.146-2008, SECTION 855 (abolishing the tuition reserve
- 17 account in the state general fund and transferring money to the
- 18 state tuition reserve fund).
- 19 ~~(12) P.L.146-2008, SECTION 857 (appropriating money to the~~
- 20 ~~department of education from the state general fund to make~~
- 21 ~~certain distributions).~~
- 22 SECTION 2. IC 2-1-9-2 IS AMENDED TO READ AS FOLLOWS
- 23 [EFFECTIVE UPON PASSAGE]: Sec. 2. **(a) This subsection applies**
- 24 **before November 6, 2012.** As used in this chapter, "district" refers to
- 25 a district described in IC 2-1-10 or IC 2-1-11.
- 26 **(b) This subsection applies after November 5, 2012. As used in**
- 27 **this chapter, "district" refers to a district described in IC 2-1-12 or**
- 28 **IC 2-1-13.**
- 29 SECTION 3. IC 2-1-9-13, AS ADDED BY P.L.214-2011,
- 30 SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 31 UPON PASSAGE]: Sec. 13. (a) As used in this section, "redistricting
- 32 act" refers to any act that enacted IC 2-1-12, ~~IC 2-1-13~~, **IC 2-1-13**, or
- 33 both of those statutes.
- 34 (b) The provisions of a redistricting act are severable as provided in
- 35 IC 1-1-1-8(b).
- 36 (c) If:
- 37 (1) any portion of a redistricting act, including any district; or
- 38 (2) application of any portion of a redistricting act to any person
- 39 or circumstance;
- 40 is found to be invalid by a court, the invalidity does not affect the
- 41 remaining portions or applications of the redistricting act, including the
- 42 remaining districts, that can be given effect without the invalid

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- 1 portions, applications, or districts.
- 2 (d) Redistricting is a state legislative function under both the
3 Constitution of the State of Indiana and the Constitution of the United
4 States. Therefore, if a redistricting act or any portion of a redistricting
5 act is found invalid by a court, the general assembly expresses its
6 preference that any court that finds the invalidity give the general
7 assembly the opportunity to cure the invalidity before the court
8 mandates its own remedial plan. The opportunity to cure is without
9 prejudice to the right of either house of the general assembly to seek
10 further appeal of any such court action.
- 11 (e) The general assembly reserves the right to replace any
12 redistricting plan mandated by a court immediately, if in session or, if
13 not in session, in a special session or the next regular session,
14 whichever comes first.
- 15 (f) In any court proceeding challenging a redistricting plan of the
16 general assembly each of the Indiana house of representatives or the
17 Indiana senate may:
- 18 (1) take independent legal positions in the proceeding; and
 - 19 (2) hire independent legal counsel to represent their respective
20 legal positions.
- 21 The speaker of the house of representatives shall determine the legal
22 position taken by the house of representatives. The president pro
23 tempore of the senate shall determine the legal position taken by the
24 senate.
- 25 SECTION 4. IC 2-5-1.2-1, AS ADDED BY P.L.220-2011,
26 SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
27 UPON PASSAGE]: Sec. 1. (a) Except as provided in subsection (b) or
28 otherwise in this article, this chapter applies to all committees
29 established under this article.
- 30 (b) This chapter does not apply to the following:
- 31 (1) The legislative council and code revision commission
32 (IC 2-5-1.1).
 - 33 ~~(2) The public officers compensation advisory commission~~
34 ~~(IC 2-5-1.5).~~
 - 35 ~~(3)~~ (2) The commission on interstate cooperation (IC 2-5-2).
 - 36 ~~(4)~~ (3) The commission on state tax and financing policy
37 (IC 2-5-3).
 - 38 ~~(5)~~ (4) The natural resources study committee (IC 2-5-5).
 - 39 ~~(6)~~ (5) The pension management oversight commission
40 (IC 2-5-12).
 - 41 ~~(7)~~ (6) The probate code study commission (IC 2-5-16).
 - 42 ~~(8)~~ (7) The administrative rules oversight committee (IC 2-5-18).

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1 to the person's name in the proper column. For electronic voting
 2 systems, print: To vote for a person, touch the screen (or press the
 3 button) in the location indicated.

4 Vote for one (1) only

5 Representative in Congress

6 (1) AB _____

7 (2) CD _____

8 (3) EF _____

9 (4) GH _____

10 (b) Local public questions shall be placed on the primary election
 11 ballot after the voting instructions described in subsection (a) and
 12 before the offices described in subsection (e).

13 (c) The local public questions described in subsection (b) shall be
 14 placed:

15 (1) in a separate column on the ballot if voting is by paper ballot;

16 (2) after the voting instructions described in subsection (a) and
 17 before the offices described in subsection (e), in the form
 18 specified in IC 3-11-13-11 if voting is by ballot card; or

19 (3) **as provided by either of the following if voting is by an**
 20 **electronic voting system:**

21 (A) On a separate screen for a public question.

22 (B) After the voting instructions described in subsection (a)
 23 and before the offices described in subsection (e), in the form
 24 specified in IC 3-11-14-3.5.

25 (d) A public question shall be placed on the primary election ballot
 26 in the following form:

27 (The explanatory text for the public question,
 28 if required by law.)

29 "Shall (insert public question)?"

30 YES

31 NO

32 ~~(b)~~ (e) The offices with candidates for nomination shall be placed
 33 on the primary election ballot in the following order:

34 (1) Federal and state offices:

35 (A) President of the United States.

36 (B) United States Senator.

37 (C) Governor.

38 (D) United States Representative.

39 (2) Legislative offices:

40 (A) State senator.

41 (B) State representative.

42 (3) Circuit offices and county judicial offices:

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- 1 (A) Judge of the circuit court, and unless otherwise specified
 2 under IC 33, with each division separate if there is more than
 3 one (1) judge of the circuit court.
 4 (B) Judge of the superior court, and unless otherwise specified
 5 under IC 33, with each division separate if there is more than
 6 one (1) judge of the superior court.
 7 (C) Judge of the probate court.
 8 ~~(D) Judge of the county court, with each division separate, as~~
 9 ~~required by IC 33-30-3-3.~~
 10 ~~(E) (D) Prosecuting attorney.~~
 11 ~~(F) (E) Circuit court clerk.~~
 12 (4) County offices:
 13 (A) County auditor.
 14 (B) County recorder.
 15 (C) County treasurer.
 16 (D) County sheriff.
 17 (E) County coroner.
 18 (F) County surveyor.
 19 (G) County assessor.
 20 (H) County commissioner.
 21 (I) County council member.
 22 (5) Township offices:
 23 (A) Township assessor (only in a township referred to in
 24 IC 36-6-5-1(d)).
 25 (B) Township trustee.
 26 (C) Township board member.
 27 (D) Judge of the small claims court.
 28 (E) Constable of the small claims court.
 29 (6) City offices:
 30 (A) Mayor.
 31 (B) Clerk or clerk-treasurer.
 32 (C) Judge of the city court.
 33 (D) City-county council member or common council member.
 34 (7) Town offices:
 35 (A) Clerk-treasurer.
 36 (B) Judge of the town court.
 37 (C) Town council member.
 38 ~~(e) (f)~~ The political party offices with candidates for election shall
 39 be placed on the primary election ballot in the following order after the
 40 offices described in subsection ~~(b)~~ (e):
 41 (1) Precinct committeeman.
 42 (2) State convention delegate.

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- 1 (B) State representative.
 2 (3) Circuit offices and county judicial offices:
 3 (A) Judge of the circuit court, and unless otherwise specified
 4 under IC 33, with each division separate if there is more than
 5 one (1) judge of the circuit court.
 6 (B) Judge of the superior court, and unless otherwise specified
 7 under IC 33, with each division separate if there is more than
 8 one (1) judge of the superior court.
 9 (C) Judge of the probate court.
 10 ~~(D) Judge of the county court, with each division separate, as~~
 11 ~~required by IC 33-30-3-3.~~
 12 ~~(D)~~ (D) Prosecuting attorney.
 13 ~~(E)~~ (E) Clerk of the circuit court.
 14 (4) County offices:
 15 (A) County auditor.
 16 (B) County recorder.
 17 (C) County treasurer.
 18 (D) County sheriff.
 19 (E) County coroner.
 20 (F) County surveyor.
 21 (G) County assessor.
 22 (H) County commissioner.
 23 (I) County council member.
 24 (5) Township offices:
 25 (A) Township assessor (only in a township referred to in
 26 IC 36-6-5-1(d)).
 27 (B) Township trustee.
 28 (C) Township board member.
 29 (D) Judge of the small claims court.
 30 (E) Constable of the small claims court.
 31 (6) City offices:
 32 (A) Mayor.
 33 (B) Clerk or clerk-treasurer.
 34 (C) Judge of the city court.
 35 (D) City-county council member or common council member.
 36 (7) Town offices:
 37 (A) Clerk-treasurer.
 38 (B) Judge of the town court.
 39 (C) Town council member.

40 SECTION 10. IC 4-4-9.7-5, AS ADDED BY P.L.83-2005,
 41 SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 42 JULY 1, 2012]: Sec. 5. (a) The secretary shall appoint an individual to

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1 be the director of the office.

2 (b) The director:

3 (1) serves at the secretary's pleasure;

4 (2) is entitled to receive compensation in an amount set by the
5 secretary subject to the approval of the budget agency under
6 IC 4-12-1-13; and

7 (3) is responsible to the secretary.

8 (c) The director is the chief executive and administrative officer of
9 the office.

10 (d) The director may appoint employees in the manner provided by
11 ~~IC 4-15-2~~ **IC 4-15-2.2** and fix their compensation, subject to the
12 approval of the budget agency under IC 4-12-1-13.

13 (e) The director may delegate the director's authority to the
14 appropriate office staff.

15 SECTION 11. IC 4-6-9.1-6 IS AMENDED TO READ AS
16 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 6. Civil penalties
17 collected under ~~section 6~~ **section 5** of this chapter must be deposited in
18 the state general fund.

19 SECTION 12. IC 4-12-4-9, AS AMENDED BY P.L.197-2011,
20 SECTION 4, AND AS AMENDED BY P.L.229-2011, SECTION 45,
21 IS CORRECTED AND AMENDED TO READ AS FOLLOWS
22 [EFFECTIVE UPON PASSAGE]: Sec. 9. *(a) The Indiana tobacco use
23 prevention and cessation executive board is abolished July 1, 2011. On
24 July 1, 2011:*

25 *(1) all assets, obligations, powers, and duties of the executive
26 board are transferred to the state department of health; and*

27 *(2) all appropriations made to the Indiana tobacco use
28 prevention and cessation executive board are transferred to the
29 state department of health and are considered appropriations
30 made to the state department of health.*

31 *(b) In addition to any other power granted by this chapter, the
32 executive board state department of health may:*

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

34 *(2) (1) adopt rules under IC 4-22-2 for the regulation of its affairs
35 and the conduct of its business and prescribe policies in
36 connection with the performance of its functions and duties; to
37 carry out this chapter;*

38 *(3) (2) accept gifts, devises, bequests, grants, loans,
39 appropriations, revenue sharing, other financing and assistance,
40 and any other aid from any source and agree to and comply with
41 conditions attached to that aid;*

42 *(4) (3) make, execute, and effectuate any and all contracts,*

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1 agreements, or other documents with any governmental agency or
 2 any person, corporation, limited liability company, association,
 3 partnership, or other organization or entity necessary or
 4 convenient to accomplish the purposes of this chapter, including
 5 contracts for the provision of all or any portion of the services the
 6 *executive board state department of health* considers necessary;
 7 ~~for the management and operations of the executive board;~~
 8 ~~(5)~~ (4) recommend legislation to the governor and general
 9 assembly; ~~and~~
 10 ~~(6)~~ (5) make recommendations to the governor, the budget
 11 agency, and the general assembly concerning the priorities for
 12 appropriation and distribution of money from the Indiana health
 13 care account established by IC 4-12-5-3; and
 14 ~~(5)~~ ~~(7)~~ (6) do any and all acts and things necessary, proper, or
 15 convenient to carry out this ~~article~~: chapter.

16 SECTION 13. IC 4-15-10-4, AS AMENDED BY P.L.222-2005,
 17 SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 18 JULY 1, 2012]: Sec. 4. (a) Any employee may report in writing the
 19 existence of:

- 20 (1) a violation of a federal law or regulation;
- 21 (2) a violation of a state law or rule;
- 22 (3) a violation of an ordinance of a political subdivision (as
- 23 defined in IC 36-1-2-13); or
- 24 (4) the misuse of public resources;
- 25 to a supervisor or to the inspector general.
- 26 (b) For having made a report under subsection (a), the employee
- 27 making the report may not:
 - 28 (1) be dismissed from employment;
 - 29 (2) have salary increases or employment related benefits
 - 30 withheld;
 - 31 (3) be transferred or reassigned;
 - 32 (4) be denied a promotion the employee otherwise would have
 - 33 received; or
 - 34 (5) be demoted.

35 (c) Notwithstanding subsections (a) and (b), an employee must
 36 make a reasonable attempt to ascertain the correctness of any
 37 information to be furnished and may be subject to disciplinary actions
 38 for knowingly furnishing false information, including suspension or
 39 dismissal, as determined by the employee's appointing authority, the
 40 appointing authority's designee, or the ethics commission. However,
 41 any state employee disciplined under this subsection is entitled to
 42 process an appeal of the disciplinary action under the procedure as set

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1 forth in ~~IC 4-15-2-34 through IC 4-15-2-35.5.~~ **IC 4-15-2.2-42.**
2 (d) An employer who knowingly or intentionally violates this
3 section commits a Class A misdemeanor.
4 SECTION 14. IC 4-15-12-3 IS AMENDED TO READ AS
5 FOLLOWS [EFFECTIVE JULY 1, 2012]: Sec. 3. There is created
6 within the state personnel department the Indiana affirmative action
7 office. The director of the department shall:
8 (1) appoint an affirmative action officer who shall direct the
9 office; and
10 (2) employ the additional personnel necessary to carry out the
11 functions of the office, which personnel are governed by
12 ~~IC 4-15-2.~~ **IC 4-15-2.2.**
13 SECTION 15. IC 4-15-16-2 IS REPEALED [EFFECTIVE JULY 1,
14 2012]. ~~Sec. 2. This chapter does not apply to an inmate placed in the~~
15 ~~unclassified service under IC 4-15-2-7.~~
16 SECTION 16. IC 4-21.5-2-5, AS AMENDED BY P.L.1-2007,
17 SECTION 16, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
18 JULY 1, 2012]: Sec. 5. This article does not apply to the following
19 agency actions:
20 (1) The issuance of a warrant or jeopardy warrant for the
21 collection of taxes.
22 (2) A determination of probable cause or no probable cause by the
23 civil rights commission.
24 (3) A determination in a factfinding conference of the civil rights
25 commission.
26 (4) A personnel action, except review of:
27 (A) a personnel action by the state employees appeals
28 commission under ~~IC 4-15-2~~ **IC 4-15-2.2-42**; or
29 (B) a personnel action that is not covered by ~~IC 4-15-2~~
30 **IC 4-15-2.2** but may be taken only for cause.
31 (5) A resolution, directive, or other action of any agency that
32 relates solely to the internal policy, organization, or procedure of
33 that agency or another agency and is not a licensing or
34 enforcement action. Actions to which this exemption applies
35 include the statutory obligations of an agency to approve or ratify
36 an action of another agency.
37 (6) An agency action related to an offender within the jurisdiction
38 of the department of correction.
39 (7) A decision of the Indiana economic development corporation,
40 the office of tourism development, the department of
41 environmental management, the tourist information and grant
42 fund review committee (before the repeal of the statute that

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- 1 created the tourist information and grant fund review committee),
- 2 the Indiana finance authority, the corporation for innovation
- 3 development, or the lieutenant governor that concerns a grant,
- 4 loan, bond, tax incentive, or financial guarantee.
- 5 (8) A decision to issue or not issue a complaint, summons, or
- 6 similar accusation.
- 7 (9) A decision to initiate or not initiate an inspection,
- 8 investigation, or other similar inquiry that will be conducted by
- 9 the agency, another agency, a political subdivision, including a
- 10 prosecuting attorney, a court, or another person.
- 11 (10) A decision concerning the conduct of an inspection,
- 12 investigation, or other similar inquiry by an agency.
- 13 (11) The acquisition, leasing, or disposition of property or
- 14 procurement of goods or services by contract.
- 15 (12) Determinations of the department of workforce development
- 16 under IC 22-4-18-1(g)(1) or IC 22-4-41.
- 17 (13) A decision under IC 9-30-12 of the bureau of motor vehicles
- 18 to suspend or revoke a driver's license, a driver's permit, a vehicle
- 19 title, or a vehicle registration of an individual who presents a
- 20 dishonored check.
- 21 (14) An action of the department of financial institutions under
- 22 IC 28-1-3.1 or a decision of the department of financial
- 23 institutions to act under IC 28-1-3.1.
- 24 (15) A determination by the NVRA official under IC 3-7-11
- 25 concerning an alleged violation of the National Voter Registration
- 26 Act of 1993 (42 U.S.C. 1973gg) or IC 3-7.
- 27 (16) Imposition of a civil penalty under IC 4-20.5-6-8 if the rules
- 28 of the Indiana department of administration provide an
- 29 administrative appeals process.
- 30 (17) A determination of status as a member of or participant in an
- 31 environmental performance based program developed and
- 32 implemented under IC 13-27-8.
- 33 SECTION 17. IC 4-21.5-3-1, AS AMENDED BY P.L.32-2011,
- 34 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 35 UPON PASSAGE]: Sec. 1. (a) This section applies to:
- 36 (1) the giving of any notice;
- 37 (2) the service of any motion, ruling, order, or other filed item; or
- 38 (3) the filing of any document with the ultimate authority;
- 39 in an administrative proceeding under this article.
- 40 (b) Except as provided in subsection (c) or as otherwise provided by
- 41 law, a person shall serve papers by:
- 42 (1) United States mail;

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- 1 (2) personal service;
- 2 (3) electronic mail; or
- 3 (4) any other method approved by the Indiana Rules of Trial
- 4 Procedure.
- 5 (c) The following shall be served by United States mail or personal
- 6 service:
- 7 (1) The initial notice of a determination under section 4, 5, or 6 of
- 8 this chapter.
- 9 (2) A petition for review of an agency action under section 7 of
- 10 this chapter.
- 11 (3) A complaint under section 8 of this chapter.
- 12 (d) The agency shall keep a record of the time, date, and
- 13 circumstances of the service under subsection (b) or (c).
- 14 (e) Service shall be made on a person or on the person's counsel or
- 15 other authorized representative of record in the proceeding. Service on
- 16 an artificial person or a person incompetent to receive service shall be
- 17 made on a person allowed to receive service under the rules governing
- 18 civil actions in the courts. If an ultimate authority consists of more than
- 19 one (1) individual, service on that ultimate authority must be made on
- 20 the chairperson or secretary of the ultimate authority. A document to
- 21 be filed with that ultimate authority must be filed with the chairperson
- 22 or secretary of the ultimate authority.
- 23 (f) If the current address of a person is not ascertainable, service
- 24 shall be mailed to the last known address where the person resides or
- 25 has a principal place of business. If the identity, address, or existence
- 26 of a person is not ascertainable, or a law other than a rule allows,
- 27 service shall be made by a single publication in a newspaper of general
- 28 circulation in:
- 29 (1) the county in which the person resides, has a principal place
- 30 of business, or has property that is the subject of the proceeding;
- 31 or
- 32 (2) Marion County, if the place described in subdivision (1) is not
- 33 ascertainable or the place described in subdivision (1) is outside
- 34 Indiana and the person does not have a resident agent or other
- 35 representative of record in Indiana.
- 36 (g) A notice given by publication must include a statement advising
- 37 a person how the person may receive written notice of the proceedings.
- 38 (h) The filing of a document with an ultimate authority is
- 39 complete on the earliest of the following dates that apply to the
- 40 filing:
- 41 (1) The date on which the document is delivered to the ultimate
- 42 authority:

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- (A) under subsection (b) or (c); ~~or and~~
- (B) in compliance with subsection ~~e~~: (e).
- (2) The date of the postmark on the envelope containing the document, if the document is mailed to the ultimate authority by United States mail.
- (3) The date on which the document is deposited with a private carrier, as shown by a receipt issued by the carrier, if the document is sent to the ultimate authority by private carrier.

SECTION 18. IC 4-21.5-3-7, AS AMENDED BY P.L.217-2007, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2012]: Sec. 7. (a) To qualify for review of a personnel action to which ~~IC 4-15-2~~ **IC 4-15-2.2** applies, a person must comply with ~~IC 4-15-2-35 or IC 4-15-2-35.5~~ **IC 4-15-2.2-42**. To qualify for review of any other order described in section 4, 5, or 6 of this chapter, a person must petition for review in a writing that does the following:

- (1) States facts demonstrating that:
 - (A) the petitioner is a person to whom the order is specifically directed;
 - (B) the petitioner is aggrieved or adversely affected by the order; or
 - (C) the petitioner is entitled to review under any law.
- (2) Includes, with respect to determinations of notice of program reimbursement and audit findings described in section 6(a)(3) and 6(a)(4) of this chapter, a statement of issues that includes:
 - (A) the specific findings, action, or determination of the office of Medicaid policy and planning or of a contractor of the office of Medicaid policy and planning from which the provider is appealing;
 - (B) the reason the provider believes that the finding, action, or determination of the office of Medicaid policy and planning or of a contractor of the office of Medicaid policy and planning was in error; and
 - (C) with respect to each finding, action, or determination of the office of Medicaid policy and planning or of a contractor of the office of Medicaid policy and planning, the statutes or rules that support the provider's contentions of error.

Not more than thirty (30) days after filing a petition for review under this section, and upon a finding of good cause by the administrative law judge, a person may amend the statement of issues contained in a petition for review to add one (1) or more additional issues.

- (3) Is filed:

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- 1 (A) with respect to an order described in section 4, 5, 6(a)(1),
 2 6(a)(2), or 6(a)(5) of this chapter, with the ultimate authority
 3 for the agency issuing the order within fifteen (15) days after
 4 the person is given notice of the order or any longer period set
 5 by statute; or
 6 (B) with respect to a determination described in section 6(a)(3)
 7 or 6(a)(4) of this chapter, with the office of Medicaid policy
 8 and planning not more than one hundred eighty (180) days
 9 after the hospital is provided notice of the determination.
 10 The issuance of an amended notice of program reimbursement by
 11 the office of Medicaid policy and planning does not extend the
 12 time within which a hospital must file a petition for review from
 13 the original notice of program reimbursement under clause (B),
 14 except for matters that are the subject of the amended notice of
 15 program reimbursement.
 16 If the petition for review is denied, the petition shall be treated as a
 17 petition for intervention in any review initiated under subsection (d).
 18 (b) If an agency denies a petition for review under subsection (a)
 19 and the petitioner is not allowed to intervene as a party in a proceeding
 20 resulting from the grant of the petition for review of another person, the
 21 agency shall serve a written notice on the petitioner that includes the
 22 following:
 23 (1) A statement that the petition for review is denied.
 24 (2) A brief explanation of the available procedures and the time
 25 limit for seeking administrative review of the denial under
 26 subsection (c).
 27 (c) An agency shall assign an administrative law judge to conduct
 28 a preliminary hearing on the issue of whether a person is qualified
 29 under subsection (a) to obtain review of an order when a person
 30 requests reconsideration of the denial of review in a writing that:
 31 (1) states facts demonstrating that the person filed a petition for
 32 review of an order described in section 4, 5, or 6 of this chapter;
 33 (2) states facts demonstrating that the person was denied review
 34 without an evidentiary hearing; and
 35 (3) is filed with the ultimate authority for the agency denying the
 36 review within fifteen (15) days after the notice required by
 37 subsection (b) was served on the petitioner.
 38 Notice of the preliminary hearing shall be given to the parties, each
 39 person who has a pending petition for intervention in the proceeding,
 40 and any other person described by section 5(d) of this chapter. The
 41 resulting order must be served on the persons to whom notice of the
 42 preliminary hearing must be given and include a statement of the facts

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and law on which it is based.

(d) If a petition for review is granted, the petitioner becomes a party to the proceeding and the agency shall assign the matter to an administrative law judge or certify the matter to another agency for the assignment of an administrative law judge (if a statute transfers responsibility for a hearing on the matter to another agency). The agency granting the administrative review or the agency to which the matter is transferred may conduct informal proceedings to settle the matter to the extent allowed by law.

SECTION 19. IC 4-31-3-9, AS AMENDED BY P.L.182-2009(ss), SECTION 57, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2012]: Sec. 9. Subject to section 14 of this chapter, the commission may:

(1) adopt rules under IC 4-22-2, including emergency rules under IC 4-22-2-37.1, to implement this article, including rules that prescribe:

- (A) the forms of wagering that are permitted;
- (B) the number of races;
- (C) the procedures for wagering;
- (D) the wagering information to be provided to the public;
- (E) fees for the issuance and renewal of:
 - (i) permits under IC 4-31-5;
 - (ii) satellite facility licenses under IC 4-31-5.5; and
 - (iii) licenses for racetrack personnel and racing participants under IC 4-31-6;
- (F) investigative fees;
- (G) fines and penalties; and
- (H) any other regulation that the commission determines is in the public interest in the conduct of recognized meetings and wagering on horse racing in Indiana;

(2) appoint employees in the manner provided by IC 4-15-2 and fix their compensation, subject to the approval of the budget agency under IC 4-12-1-13;

(3) enter into contracts necessary to implement this article; and
(4) receive and consider recommendations from an advisory development committee established under IC 4-31-11.

SECTION 20. IC 4-32.2-2-29.5, AS ADDED BY P.L.104-2011, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 29.5. "Volunteer ticket agent" means a person acting on behalf of a qualified organization that:

- (1) receives no compensation from the qualified organization;
- (2) sells tickets to an allowable event held under a license issued

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1 under IC 4-32.2-4-8, ~~IC 4-32.2-4-10~~, **IC 4-32.2-4-10**, or
2 IC 4-32.2-4-12, or a single event license issued under
3 IC 4-32.2-4-16; and

4 (3) does not assist the qualified organization in conducting the
5 allowable event in any other way.

6 SECTION 21. IC 4-33-23-8, AS ADDED BY P.L.82-2011,
7 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
8 UPON PASSAGE]: Sec. 8. All development agreements must contain
9 the following statement:

10 "All parties to this agreement recognize the authority of the
11 Indiana gaming commission over this agreement, including the
12 authority to disapprove all or part of this agreement, to verify and
13 ensure payments made under this agreement, to verify and ensure
14 expenditures by recipients, to verify and ensure ~~that~~ compliance
15 with the purposes of the agreement, and to act concerning
16 modifications to the agreement. All parties to this agreement
17 agree to comply fully with any requests for information or
18 directives related to the exercise of the commission's authority.".

19 SECTION 22. IC 4-33-23-11, AS ADDED BY P.L.82-2011,
20 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
21 UPON PASSAGE]: Sec. 11. (a) A party that is not the development
22 provider may not be a for-profit person.

23 (b) A specified recipient may not be a for-profit person.

24 (c) A specified recipient who disburses part or all of an economic
25 development payment to an unspecified recipient has a duty to ensure
26 that the expenditures made by ~~an~~ **the** unspecified recipient directly
27 advance the stated purposes of the economic development payment.

28 SECTION 23. IC 4-33-23-14, AS ADDED BY P.L.82-2011,
29 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
30 UPON PASSAGE]: Sec. 14. (a) If all parties to a development
31 agreement agree to modify **a** ~~the~~ development agreement, the parties
32 shall:

33 (1) submit to the commission a written request for modification,
34 which shall be signed by all parties;

35 (2) submit a copy of the development agreement as it would
36 appear after modification; and

37 (3) submit a document explaining the parties' reasons for the
38 requested modifications.

39 (b) The commission may consider a request for modification that
40 complies with subsection (a).

41 (c) If the commission approves the parties' request, the parties shall
42 provide the commission with a fully executed copy of the new

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1 development agreement not later than thirty (30) days after the date of
2 commission approval.

3 SECTION 24. IC 4-37-5-3, AS ADDED BY P.L.167-2011,
4 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
5 JULY 1, 2012]: Sec. 3. The board may develop a separate personnel
6 system for employees of the corporation. The system may establish the
7 rights, privileges, powers, and duties of the corporation employees,
8 including pay scale and benefit package. If the board does not develop
9 and adopt a personnel system, the employees of the corporation are
10 subject to the state personnel system under ~~IC 4-15-1-8~~: **IC 4-15-2.2**.
11 If the board does adopt a separate personnel system, the rules should
12 mirror the state personnel rules as closely as possible.

13 SECTION 25. IC 5-10-5.5-1, AS AMENDED BY P.L.16-2011,
14 SECTION 1, AND AS AMENDED BY P.L.23-2011, SECTION 3, IS
15 CORRECTED AND AMENDED TO READ AS FOLLOWS
16 [EFFECTIVE UPON PASSAGE]: Sec. 1. As used in this chapter and
17 unless the context clearly denotes otherwise:

18 (1) "Board" refers to the board of trustees of the Indiana public
19 retirement system established by IC 5-10.5-3-1.

20 ~~(2)~~ (2) "Department" means the Indiana department of natural
21 resources.

22 ~~(3)~~ (3) "Commission" means the alcohol and tobacco commission.

23 ~~(4)~~ (4) "Officer" means any Indiana state excise police officer, any
24 Indiana state conservation enforcement officer, any gaming agent,
25 or any gaming control officer.

26 ~~(5)~~ (5) "Participant" means any officer who has elected to
27 participate in the retirement plan created by this chapter.

28 ~~(6)~~ (6) "Salary" means the total compensation, exclusive of
29 expense allowances, paid to any officer by the department or the
30 commission, determined without regard to any salary reduction
31 agreement established under Section 125 of the Internal Revenue
32 Code.

33 ~~(7)~~ (7) "Average annual salary" means the average annual salary
34 of an officer during the five (5) years of highest annual salary in
35 the ten (10) years immediately preceding an officer's retirement
36 date, determined without regard to any salary reduction agreement
37 established under Section 125 of the Internal Revenue Code.

38 ~~(8)~~ (8) "Public employees' retirement act" means IC 5-10.3.

39 ~~(9)~~ (9) "Public employees' retirement fund" means the public
40 employees' retirement fund created by IC 5-10.3-2.

41 ~~(10)~~ (10) "Interest" means the ~~same~~ rate of interest ~~as is~~ specified
42 ~~under~~ by rule by the board of trustees of the **Indiana** public

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1 employees' retirement ~~law. fund.~~ system established by
2 IC 5-10.5-3-1.

3 ~~(11)~~ "Americans with Disabilities Act" refers to the Americans
4 with Disabilities Act (42 U.S.C. 12101 et seq.) and any
5 amendments and regulations related to the Act.

6 ~~(12)~~ Other words and phrases when used in this chapter shall,
7 for the purposes of this chapter, have the meanings respectively
8 ascribed to them as set forth in IC 5-10.3-1.

9 SECTION 26. IC 5-10-8-6.7, AS AMENDED BY P.L.91-2011,
10 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
11 UPON PASSAGE]: Sec. 6.7. (a) As used in this section, "state
12 employee health plan" means a:

13 (1) self-insurance program established under section 7(b) of this
14 chapter; or

15 (2) contract with a prepaid health care delivery plan entered into
16 under section 7(c) of this chapter;

17 to provide group health coverage for state employees.

18 (b) The state personnel department shall allow a school corporation
19 or charter school to elect to provide coverage of health care services for
20 active and retired employees of the school corporation under any state
21 employee health plan. If a school corporation or charter school elects
22 to provide coverage of health care services for active and retired
23 employees of the school corporation or charter school under a state
24 employee health plan, it must provide coverage for all active and
25 retired employees of the school corporation or charter school under the
26 state employee health plan (other than any employees covered by an
27 Indiana comprehensive health insurance association policy or
28 individuals who retire from the school corporation before July 1, 2010,
29 or charter school before July 1, 2011) if coverage was provided for
30 these employees under the prior policies.

31 (c) The following apply if a school corporation or charter school
32 elects to provide coverage for active and retired employees of the
33 school corporation or charter school under subsection (b):

34 (1) The state shall not pay any part of the cost of the coverage.

35 (2) The coverage provided to an active or retired school
36 corporation or charter school employee under this section must be
37 the same as the coverage provided to an active or retired state
38 employee under the state employee health plan.

39 (3) Notwithstanding sections 2.2 and 2.6 of this chapter:

40 (A) the school corporation or charter school shall pay for the
41 coverage provided to an active or retired school corporation or
42 charter school employee under this section an amount not

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1 more than the amount paid by the state for coverage provided
 2 to an active or retired state employee under the state employee
 3 health plan; and
 4 (B) an active or retired school corporation or charter school
 5 employee shall pay for the coverage provided to the active or
 6 retired school corporation or charter **school** employee under
 7 this section an amount that is at least equal to the amount paid
 8 by an active or retired state employee for coverage provided to
 9 the active or retired state employee under the state employee
 10 health plan.

11 However, this subdivision does not apply to contractual
 12 commitments made by a school corporation to individuals who
 13 retire before July 1, 2010, or **by** a charter school to individuals
 14 who retire before July 1, 2011.

15 (4) The school corporation or charter school shall pay any
 16 administrative costs of the school corporation's or charter school's
 17 participation in the state employee health plan.

18 (5) The school corporation or charter school shall provide the
 19 coverage elected under subsection (b) for a period of at least three
 20 (3) years beginning on the date the coverage of the school
 21 corporation or charter school employees under the state employee
 22 health plan begins.

23 (d) The state personnel department shall provide an enrollment
 24 period at least every thirty (30) days for a school corporation or charter
 25 school that elects to provide coverage under subsection (b).

26 (e) The state personnel department may adopt rules under IC 4-22-2
 27 to implement this section.

28 (f) Neither this section nor a school corporation's or charter school's
 29 election to participate in a state employee health plan as provided in
 30 this section impairs the rights of an exclusive representative of the
 31 certificated or noncertificated employees of the school corporation or
 32 charter school to collectively bargain all matters related to school
 33 employee health insurance programs and benefits.

34 SECTION 27. IC 5-10-8.5-4, AS ADDED BY P.L.44-2007,
 35 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 36 JULY 1, 2012]: Sec. 4. As used in this chapter, "department" refers to
 37 the state personnel department established under ~~IC 4-15-1.8-2.~~
 38 **IC 4-15-2.2.**

39 SECTION 28. IC 5-10.2-2-6, AS AMENDED BY P.L.13-2011,
 40 SECTION 3, AS AMENDED BY P.L.22-2011, SECTION 1, AND AS
 41 AMENDED BY P.L.23-2011, SECTION 9, IS CORRECTED AND
 42 AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON

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1 PASSAGE]: Sec. 6. (a) The retirement allowance account of the public
 2 employees' retirement fund consists of the retirement fund, exclusive
 3 of the annuity savings account. *The retirement allowance account also*
 4 *includes any amounts received under IC 5-10.3-12-24(b).* For the
 5 public employees' retirement fund, separate accounts within the
 6 retirement allowance account shall be maintained for contributions
 7 made by ~~the state and by each political subdivision: each contribution~~
 8 ~~rate group.~~

9 (b) The retirement allowance account of the pre-1996 account
 10 consists of the pre-1996 account, exclusive of the annuity savings
 11 account.

12 (c) The retirement allowance account of the 1996 account consists
 13 of the 1996 account, exclusive of the annuity savings account. ~~For the~~
 14 ~~1996 account, separate accounts within the retirement allowance~~
 15 ~~account shall be maintained for contributions made by the state, by~~
 16 ~~each school corporation, and by each institution.~~

17 SECTION 29. IC 5-10.3-11-0.3, AS ADDED BY P.L.220-2011,
 18 SECTION 83, IS REPEALED [EFFECTIVE UPON PASSAGE]. ~~Sec.~~
 19 ~~0.3: For property taxes first due and payable after December 31, 2008;~~
 20 ~~the department of local government finance shall reduce the maximum~~
 21 ~~permissible ad valorem property tax levy of any civil taxing unit and~~
 22 ~~special service district by the amount of the payment to be made in~~
 23 ~~2009 by the state of Indiana under this chapter, as amended by~~
 24 ~~P.L.146-2008, for benefits to members (and survivors and beneficiaries~~
 25 ~~of members) of the 1925 police pension fund; the 1937 firefighters'~~
 26 ~~fund; or the 1953 police pension fund.~~

27 SECTION 30. IC 5-10.3-12-21, AS ADDED BY P.L.22-2011,
 28 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 29 UPON PASSAGE]: Sec. 21. (a) The plan consists of the following:

- 30 (1) Each member's contributions to the plan under section 23 of
 31 this chapter.
- 32 (2) Contributions made by an employer to the plan on behalf of
 33 each member under section 24 of this chapter.
- 34 (3) Rollovers to the plan by a member under section 29 of this
 35 chapter.
- 36 (4) All earnings on investments or deposits of the plan.
- 37 (5) All contributions or payments to the plan made in the manner
 38 provided by the general assembly.

39 (b) The plan shall establish an account for each member. A
 40 member's account consists of two (2) subaccounts credited individually
 41 as follows:

- 42 (1) The member contribution subaccount consists of:

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- 1 (A) the member's contributions to the plan under section 23 of
 2 this chapter; and
 3 (B) the net earnings on the contributions described in clause
 4 (A) as determined under section 22 of this chapter.
 5 (2) The employer contribution subaccount consists of:
 6 (A) the employer's contributions made on behalf of the
 7 member to the plan under section 24 of this chapter; and
 8 (B) the earnings on the contributions described in clause (A)
 9 as determined under section 22 of this chapter.
 10 The board may combine the two **(2)** subaccounts established under this
 11 subsection into a single account, if the board determines that a single
 12 account is administratively appropriate and permissible under
 13 applicable law.
 14 (c) If a member makes rollover contributions under ~~section 30~~
 15 **section 29** of this chapter, the plan shall establish a rollover account as
 16 a separate subaccount within the member's account.
 17 SECTION 31. IC 5-10.3-12-22, AS ADDED BY P.L.22-2011,
 18 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 19 UPON PASSAGE]: Sec. 22. (a) Subject to the board obtaining the
 20 approval of the Internal Revenue Service as described in section 18(b)
 21 of this chapter, the board shall establish the alternative investment
 22 programs (as described by IC 5-10.2-2-3 and IC 5-10.2-2-4) within the
 23 annuity savings account as the initial alternative investment programs
 24 for the plan, except that the board shall maintain at least one (1)
 25 alternative investment program that is a stable value fund. If the board
 26 considers it necessary or appropriate, the board may establish different
 27 or additional alternative investment programs for the plan. However,
 28 the guaranteed ~~fund~~ **program** (as defined in IC 5-10.2-2-3) shall not be
 29 offered as an investment option under the plan.
 30 (b) The requirements and rules that apply to the alternative
 31 investment programs within the annuity savings account are the initial
 32 requirements and rules that apply to the alternative investment
 33 programs within the plan, including the following:
 34 (1) The board's investment guidelines and limits for the
 35 alternative investment programs.
 36 (2) A member's selection of and changes to the member's
 37 investment options.
 38 (3) The valuation of a member's account.
 39 (4) The allocation and payment of administrative expenses for the
 40 alternative investment programs.
 41 (c) If the board considers it necessary or appropriate, the board may
 42 establish different or additional requirements and rules that apply to the

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1 alternative investment programs within the plan.
 2 (d) The board shall determine the appropriate administrative fees to
 3 be charged to the member accounts.
 4 SECTION 32. IC 5-10.3-12-25, AS ADDED BY P.L.22-2011,
 5 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 6 UPON PASSAGE]: Sec. 25. (a) Member contributions and net
 7 earnings on the member contributions in the member contribution
 8 subaccount belong to the member at all times and do not belong to the
 9 state.
 10 (b) A member is vested in the employer contribution subaccount in
 11 accordance with the following schedule:
 12 Years of participation in the Vested percentage of
 13 plan employer contributions
 14 and earnings
 15 20%
 16 40%
 17 60%
 18 80%
 19 100%
 20 For purposes of vesting in the employer contribution subaccount, only
 21 a member's full years of participation in the plan may be counted.
 22 (c) The amount that a member may withdraw from the member's
 23 account is limited to the vested portion of the account.
 24 (d) A member who attains normal retirement age is fully vested in
 25 all amounts in the member's account.
 26 (e) If a member separates from service with the state before the
 27 member is fully vested in the employer contribution subaccount, the
 28 amount in the employer contribution subaccount that is not vested is
 29 forfeited as of the date of the member separates from service.
 30 (f) Amounts forfeited under subsection (e) must be used to reduce
 31 the state's unfunded accrued liability of the fund as determined under
 32 IC 5-10.2-2-11(a)(3) and IC 5-10.2-2-11(a)(4).
 33 (g) A member may not earn creditable service (as defined in
 34 IC 5-10.2-3-1(a)) under the plan.
 35 SECTION 33. IC 5-10.3-12-26, AS ADDED BY P.L.22-2011,
 36 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 37 UPON PASSAGE]: Sec. 26. (a) Subject to the provisions of the
 38 Internal Revenue Code applicable to qualified plan distributions, a
 39 member who terminates service in a covered position is entitled to
 40 withdraw amounts in the member's account to the extent the member
 41 is vested in the account. A member must make a required withdrawal
 42 from the member's account not later than the required beginning date

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1 under the Internal Revenue Code.
 2 (b) The member may elect to have withdrawals paid as:
 3 (1) a lump sum;
 4 (2) a direct rollover to another eligible retirement plan; or
 5 (3) if the member has attained normal retirement age, as a
 6 monthly annuity in accordance with the rules of the board.
 7 (c) The board may establish a minimum account balance or a
 8 minimum monthly payment amount in order for a member to select the
 9 monthly annuity option. The board shall establish the forms of annuity
 10 by rule, in consultation with the board's actuary. The board shall give
 11 members information about these forms of payment and any
 12 information required by federal law to accompany such distributions.
 13 (d) Unless otherwise required by federal or state law, the
 14 requirements and rules that apply to the distribution of the annuity
 15 savings account apply to distributions from a member's account.
 16 SECTION 34. IC 5-10.3-12-30, AS ADDED BY P.L.22-2011,
 17 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 18 UPON PASSAGE]: Sec. 30. (a) If a member becomes disabled while
 19 in a covered position, subject to any federal law limitations concerning
 20 qualified plan distributions and the ~~member's~~ member furnishing proof
 21 of the member's qualification for Social Security disability benefits to
 22 the board, to the extent that the member is vested, the member may
 23 make a withdrawal from the member's account.
 24 (b) The member may elect to have the withdrawal paid as:
 25 (1) a lump sum;
 26 (2) a direct rollover to another eligible retirement plan; or
 27 (3) a monthly annuity in accordance with the rules of the board.
 28 (c) The board may establish a minimum account balance or a
 29 minimum monthly payment amount in order for a member to select the
 30 monthly annuity option.
 31 SECTION 35. IC 5-16-1-1.5, AS AMENDED BY P.L.229-2011,
 32 SECTION 77, AND AS AMENDED BY P.L.172-2011, SECTION 19,
 33 IS CORRECTED AND AMENDED TO READ AS FOLLOWS
 34 [EFFECTIVE UPON PASSAGE]: Sec. 1.5. (a) The governing board
 35 of any state educational institution, acting on behalf of said institution,
 36 may purchase materials in the manner provided by law and perform any
 37 work by means of its own employees and owned or leased equipment
 38 in the construction, rehabilitation, extension, maintenance or repair of
 39 any building, structure, improvement, or facility, of said institutions,
 40 without awarding a contract therefor, whenever the cost of such work
 41 shall be estimated to be less than one hundred fifty thousand dollars
 42 (\$150,000).

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1 (b) *The workforce of a state educational institution may perform a*
2 *public work described in subsection (a) only if:*

3 (1) *the workforce, through demonstrated skills, training, or*
4 *expertise, is capable of performing the public work; and*

5 (2) *for a public work project under subsection (a) whose cost is*
6 *estimated to be more than one hundred thousand dollars*
7 *(\$100,000), the state educational institution:*

8 (A) *publishes a notice under IC 5-3-1 that:*

9 (i) *describes the public work that the state educational*
10 *institution intends to perform with its own workforce; and*

11 (ii) *sets forth the projected cost of each component of the*
12 *public work as described in subsection (a); and*

13 (B) *determines at a public meeting that it is in the public*
14 *interest to perform the public work with the state educational*
15 *institution's own workforce.*

16 *A public work project performed by a state educational institution's*
17 *own workforce must be inspected and accepted as complete in the*
18 *same manner as a public work project performed under a contract*
19 *awarded after receiving bids.*

20 (c) *If a public work project involves a structure, an improvement,*
21 *or a facility under the control of a state educational institution, the*
22 *state educational institution may not artificially divide the project to*
23 *bring any part of the project under this section.*

24 SECTION 36. IC 5-20-1-4, AS AMENDED BY P.L.170-2011,
25 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
26 UPON PASSAGE]: Sec. 4. (a) The authority has all of the powers
27 necessary or convenient to carry out and effectuate the purposes and
28 provisions of this chapter, including the power:

29 (1) to make or participate in the making of construction loans for
30 multiple family residential housing under terms that are approved
31 by the authority;

32 (2) to make or participate in the making of mortgage loans for
33 multiple family residential housing under terms that are approved
34 by the authority;

35 (3) to purchase or participate in the purchase from mortgage
36 lenders of mortgage loans made to persons of low and moderate
37 income for residential housing;

38 (4) to make loans to mortgage lenders for the purpose of
39 furnishing funds to such mortgage lenders to be used for making
40 mortgage loans for persons and families of low and moderate
41 income. However, the obligation to repay loans to mortgage
42 lenders shall be general obligations of the respective mortgage

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1 lenders and shall bear such date or dates, shall mature at such
 2 time or times, shall be evidenced by such note, bond, or other
 3 certificate of indebtedness, shall be subject to prepayment, and
 4 shall contain such other provisions consistent with the purposes
 5 of this chapter as the authority shall by rule or resolution
 6 determine;

7 (5) to collect and pay reasonable fees and charges in connection
 8 with making, purchasing, and servicing of its loans, notes, bonds,
 9 commitments, and other evidences of indebtedness;

10 (6) to acquire real property, or any interest in real property, by
 11 conveyance, including purchase in lieu of foreclosure, or
 12 foreclosure, to own, manage, operate, hold, clear, improve, and
 13 rehabilitate such real property and sell, assign, exchange, transfer,
 14 convey, lease, mortgage, or otherwise dispose of or encumber
 15 such real property where such use of real property is necessary or
 16 appropriate to the purposes of the authority;

17 (7) to sell, at public or private sale, all or any part of any mortgage
 18 or other instrument or document securing a construction loan, a
 19 land development loan, a mortgage loan, or a loan of any type
 20 permitted by this chapter;

21 (8) to procure insurance against any loss in connection with its
 22 operations in such amounts and from such insurers as it may deem
 23 necessary or desirable;

24 (9) to consent, subject to the provisions of any contract with
 25 noteholders or bondholders which may then exist, whenever it
 26 deems it necessary or desirable in the fulfillment of its purposes
 27 to the modification of the rate of interest, time of payment of any
 28 installment of principal or interest, or any other terms of any
 29 mortgage loan, mortgage loan commitment, construction loan,
 30 loan to lender, or contract or agreement of any kind to which the
 31 authority is a party;

32 (10) to enter into agreements or other transactions with any
 33 federal, state, or local governmental agency for the purpose of
 34 providing adequate living quarters for such persons and families
 35 in cities and counties where a need has been found for such
 36 housing;

37 (11) to include in any borrowing such amounts as may be deemed
 38 necessary by the authority to pay financing charges, interest on
 39 the obligations (for a period not exceeding the period of
 40 construction and a reasonable time thereafter or if the housing is
 41 completed, two (2) years from the date of issue of the
 42 obligations), consultant, advisory, and legal fees and such other

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- 1 expenses as are necessary or incident to such borrowing;
- 2 (12) to make and publish rules respecting its lending programs
- 3 and such other rules as are necessary to effectuate the purposes of
- 4 this chapter;
- 5 (13) to provide technical and advisory services to sponsors,
- 6 builders, and developers of residential housing and to residents
- 7 and potential residents, including housing selection and purchase
- 8 procedures, family budgeting, property use and maintenance,
- 9 household management, and utilization of community resources;
- 10 (14) to promote research and development in scientific methods
- 11 of constructing low cost residential housing of high durability;
- 12 (15) to encourage community organizations to participate in
- 13 residential housing development;
- 14 (16) to make, execute, and effectuate any and all agreements or
- 15 other documents with any governmental agency or any person,
- 16 corporation, association, partnership, limited liability company,
- 17 or other organization or entity necessary or convenient to
- 18 accomplish the purposes of this chapter;
- 19 (17) to accept gifts, devises, bequests, grants, loans,
- 20 appropriations, revenue sharing, other financing and assistance
- 21 and any other aid from any source whatsoever and to agree to, and
- 22 to comply with, conditions attached thereto;
- 23 (18) to sue and be sued in its own name, plead and be impleaded;
- 24 (19) to maintain an office in the city of Indianapolis and at such
- 25 other place or places as it may determine;
- 26 (20) to adopt an official seal and alter the same at pleasure;
- 27 (21) to adopt and from time to time amend and repeal bylaws for
- 28 the regulation of its affairs and the conduct of its business and to
- 29 prescribe rules and policies in connection with the performance
- 30 of its functions and duties;
- 31 (22) to employ fiscal consultants, engineers, attorneys, real estate
- 32 counselors, appraisers, and such other consultants and employees
- 33 as may be required in the judgment of the authority and to fix and
- 34 pay their compensation from funds available to the authority
- 35 therefor;
- 36 (23) notwithstanding IC 5-13, but subject to the requirements of
- 37 any trust agreement entered into by the authority, to invest:
- 38 (A) the authority's money, funds, and accounts;
- 39 (B) any money, funds, and accounts in the authority's custody;
- 40 and
- 41 (C) proceeds of bonds or notes;
- 42 in the manner provided by an investment policy established by

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1 resolution of the authority;

2 (24) to make or participate in the making of construction loans,

3 mortgage loans, or both, to individuals, partnerships, limited

4 liability companies, corporations, and organizations for the

5 construction of residential facilities for individuals with a

6 developmental disability or for individuals with a mental illness

7 or for the acquisition or renovation, or both, of a facility to make

8 it suitable for use as a new residential facility for individuals with

9 a developmental disability or for individuals with a mental illness;

10 (25) to make or participate in the making of construction and

11 mortgage loans to individuals, partnerships, corporations, limited

12 liability companies, and organizations for the construction,

13 rehabilitation, or acquisition of residential facilities for children;

14 (26) to purchase or participate in the purchase of mortgage loans

15 from:

16 (A) public utilities (as defined in IC 8-1-2-1); or

17 (B) municipally owned gas utility systems organized under

18 IC 8-1.5;

19 if those mortgage loans were made for the purpose of insulating

20 and otherwise weatherizing single family residences in order to

21 conserve energy used to heat and cool those residences;

22 (27) to provide financial assistance to mutual housing

23 associations (IC 5-20-3) in the form of grants, loans, or a

24 combination of grants and loans for the development of housing

25 for low and moderate income families;

26 (28) to service mortgage loans made or acquired by the authority

27 and to impose and collect reasonable fees and charges in

28 connection with such servicing;

29 (29) subject to the authority's investment policy, to enter into

30 swap agreements (as defined in IC 8-9.5-9-4) in accordance with

31 IC 8-9.5-9-5 and IC 8-9.5-9-7;

32 (30) to promote and foster community revitalization through

33 community services and real estate development;

34 (31) to coordinate and establish linkages between governmental

35 and other social services programs to ensure the effective delivery

36 of services to low income individuals and families, including

37 individuals or families facing or experiencing homelessness;

38 (32) to cooperate with local housing officials and plan

39 commissions in the development of projects that the officials or

40 commissions have under consideration;

41 (33) to prescribe, in accordance with IC 32-30-10.5-10(i), a list of

42 documents that must be included **under IC 32-30-10.5** as part of

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1 a debtor's loss mitigation package in a foreclosure action filed
2 ~~under IC 32-30-10.5~~ after June 30, 2011;

3 (34) to take actions necessary to implement its powers that the
4 authority determines to be appropriate and necessary to ensure the
5 availability of state or federal financial assistance; and

6 (35) to administer any program or money designated by the state
7 or available from the federal government or other sources that is
8 consistent with the authority's powers and duties.

9 The omission of a power from the list in this subsection does not imply
10 that the authority lacks that power. The authority may exercise any
11 power that is not listed in this subsection but is consistent with the
12 powers listed in this subsection to the extent that the power is not
13 expressly denied by the Constitution of the State of Indiana or by
14 another statute.

15 (b) The authority shall ensure that a mortgage loan acquired by the
16 authority under subsection (a)(3) or made by a mortgage lender with
17 funds provided by the authority under subsection (a)(4) is not
18 knowingly made to a person whose adjusted family income, as
19 determined by the authority, exceeds one hundred twenty-five percent
20 (125%) of the median income for the geographic area involved.
21 However, if the authority determines that additional encouragement is
22 needed for the development of the geographic area involved, a
23 mortgage loan acquired or made under subsection (a)(3) or (a)(4) may
24 be made to a person whose adjusted family income, as determined by
25 the authority, does not exceed one hundred forty percent (140%) of the
26 median income for the geographic area involved. The authority shall
27 establish procedures that the authority determines are appropriate to
28 structure and administer any program conducted under subsection
29 (a)(3) or (a)(4) for the purpose of acquiring or making mortgage loans
30 to persons of low or moderate income. In determining what constitutes
31 low income, moderate income, or median income for purposes of any
32 program conducted under subsection (a)(3) or (a)(4), the authority shall
33 consider:

34 (1) the appropriate geographic area in which to measure income
35 levels; and

36 (2) the appropriate method of calculating low income, moderate
37 income, or median income levels including:

38 (A) sources of;

39 (B) exclusions from; and

40 (C) adjustments to;

41 income.

42 (c) The authority, when directed by the governor, shall administer

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1 programs and funds under 42 U.S.C. 1437 et seq.

2 (d) The authority shall identify, promote, assist, and fund:

3 (1) home ownership education programs; and

4 (2) mortgage foreclosure counseling and education programs
5 under IC 5-20-6;

6 conducted throughout Indiana by nonprofit counseling agencies that the
7 authority has certified, or by any other public, private, or nonprofit
8 entity in partnership with a nonprofit agency that the authority has
9 certified, using funds appropriated under section 27 of this chapter. The
10 attorney general and the entities listed in IC 4-6-12-4(a)(1) through
11 IC 4-6-12-4(a)(10) shall cooperate with the authority in implementing
12 this subsection.

13 (e) The authority shall:

14 (1) oversee and encourage a regional homeless delivery system
15 that:

16 (A) considers the need for housing and support services;

17 (B) implements strategies to respond to gaps in the delivery
18 system; and

19 (C) ensures individuals and families are matched with optimal
20 housing solutions;

21 (2) facilitate the dissemination of information to assist individuals
22 and families accessing local resources, programs, and services
23 related to homelessness, housing, and community development;
24 and

25 (3) each year, estimate and reasonably determine the number of
26 the following:

27 (A) Individuals in Indiana who are homeless.

28 (B) Individuals in Indiana who are homeless and less than
29 eighteen (18) years of age.

30 (C) Individuals in Indiana who are homeless and not residents
31 of Indiana.

32 SECTION 37. IC 5-28-6-1, AS AMENDED BY P.L.114-2011,
33 SECTION 3, AND AS AMENDED BY P.L.172-2011, SECTION 23,
34 IS CORRECTED AND AMENDED TO READ AS FOLLOWS
35 [EFFECTIVE UPON PASSAGE]: Sec. 1. The corporation shall do the
36 following:

37 (1) Create and regularly update a strategic economic development
38 plan *that includes the following:*

39 (A) *Identification of specific economic regions within Indiana*
40 *and methods by which the corporation will implement more*
41 *regional collaboration between the corporation and the*
42 *various local economic development organizations within*

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- 1 *these regions.*
- 2 *(B) Methods by which the corporation will implement more*
- 3 *collaboration between the corporation and the various state*
- 4 *economic development organizations within the states*
- 5 *contiguous to Indiana.*
- 6 (2) Establish strategic benchmarks and performance measures.
- 7 (3) Monitor and report on Indiana's economic performance.
- 8 (4) Market Indiana to businesses worldwide.
- 9 (5) Assist Indiana businesses that want to grow.
- 10 (6) Solicit funding from the private sector for selected initiatives.
- 11 (7) Provide for the orderly economic development and growth of
- 12 Indiana.
- 13 (8) Establish and coordinate the operation of programs commonly
- 14 available to all citizens of Indiana to implement a strategic plan
- 15 for the state's economic development and enhance the general
- 16 welfare.
- 17 (9) Evaluate and analyze the state's economy to determine the
- 18 direction of future public and private actions, and report and make
- 19 recommendations to the general assembly in an electronic format
- 20 under IC 5-14-6 with respect to the state's economy. *The report*
- 21 *prepared under this subdivision must include recommendations*
- 22 *for strategies and plans for collaboration by the corporation*
- 23 *with:*
- 24 *(A) local economic development organizations within*
- 25 *geographic regions in Indiana; and*
- 26 *(B) the various state economic development organizations*
- 27 *within the states contiguous to Indiana.*
- 28 (10) Conduct a statewide study to determine specific economic
- 29 sectors that should be emphasized by the state and by local
- 30 economic development organizations within geographic regions
- 31 in Indiana.
- 32 (11) Report in an electronic format under IC 5-14-6 the results of
- 33 the study conducted under subdivision (10) to the interim study
- 34 committee on economic development established by
- 35 IC 2-5-31.8-1.
- 36 SECTION 38. IC 5-28-6-2, AS AMENDED BY P.L.114-2011,
- 37 SECTION 4, AND AS AMENDED BY P.L.172-2011, SECTION 24,
- 38 IS CORRECTED AND AMENDED TO READ AS FOLLOWS
- 39 [EFFECTIVE UPON PASSAGE]: Sec. 2. (a) The corporation shall
- 40 develop and promote programs designed to make the best use of
- 41 Indiana resources to ensure a balanced economy and continuing
- 42 economic growth for Indiana, and, for those purposes, may do the

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- 1 following:
- 2 (1) Cooperate with federal, state, and local governments and
- 3 agencies in the coordination of programs to make the best use of
- 4 Indiana resources, *based on a statewide study to determine*
- 5 *specific economic sectors that should be emphasized by the state*
- 6 *and by local economic development organizations within*
- 7 *geographic regions in Indiana, and encourage collaboration with*
- 8 *local economic development organizations within geographic*
- 9 *regions in Indiana and with the various state economic*
- 10 *development organizations within the states contiguous to*
- 11 *Indiana.*
- 12 (2) Receive and expend funds, grants, gifts, and contributions of
- 13 money, property, labor, interest accrued from loans made by the
- 14 corporation, and other things of value from public and private
- 15 sources, including grants from agencies and instrumentalities of
- 16 the state and the federal government. The corporation:
- 17 (A) may accept federal grants for providing planning
- 18 assistance, making grants, or providing other services or
- 19 functions necessary to political subdivisions, planning
- 20 commissions, or other public or private organizations;
- 21 (B) shall administer these grants in accordance with the terms
- 22 of the grants; and
- 23 (C) may contract with political subdivisions, planning
- 24 commissions, or other public or private organizations to carry
- 25 out the purposes for which the grants were made.
- 26 (3) Direct that assistance, information, and advice regarding the
- 27 duties and functions of the corporation be given to the corporation
- 28 by an officer, agent, or employee of the executive branch of the
- 29 state. The head of any other state department or agency may
- 30 assign one (1) or more of the department's or agency's employees
- 31 to the corporation on a temporary basis or may direct a division
- 32 or an agency under the department's or agency's supervision and
- 33 control to make a special study or survey requested by the
- 34 corporation.
- 35 (b) The corporation shall perform the following duties:
- 36 (1) Develop and implement industrial development programs to
- 37 encourage expansion of existing industrial, commercial, and
- 38 business facilities in Indiana and to encourage new industrial,
- 39 commercial, and business locations in Indiana.
- 40 (2) Assist businesses and industries in acquiring, improving, and
- 41 developing overseas markets and encourage international plant
- 42 locations in Indiana. The corporation, with the approval of the

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1 governor, may establish foreign offices to assist in this function.

2 (3) Promote the growth of minority business enterprises by doing
3 the following:

4 (A) Mobilizing and coordinating the activities, resources, and
5 efforts of governmental and private agencies, businesses, trade
6 associations, institutions, and individuals.

7 (B) Assisting minority businesses in obtaining governmental
8 or commercial financing for expansion or establishment of
9 new businesses or individual development projects.

10 (C) Aiding minority businesses in procuring contracts from
11 governmental or private sources, or both.

12 (D) Providing technical, managerial, and counseling assistance
13 to minority business enterprises.

14 (4) Assist the office of the lieutenant governor in:

15 (A) community economic development planning;

16 (B) implementation of programs designed to further
17 community economic development; and

18 (C) the development and promotion of Indiana's tourist
19 resources.

20 (5) Assist the secretary of agriculture and rural development in
21 promoting and marketing of Indiana's agricultural products and
22 provide assistance to the director of the Indiana state department
23 of agriculture.

24 (6) With the approval of the governor, implement federal
25 programs delegated to the state to carry out the purposes of this
26 article.

27 (7) Promote the growth of small businesses by doing the
28 following:

29 (A) Assisting small businesses in obtaining and preparing the
30 permits required to conduct business in Indiana.

31 (B) Serving as a liaison between small businesses and state
32 agencies.

33 (C) Providing information concerning business assistance
34 programs available through government agencies and private
35 sources.

36 (8) Establish a public information page on its current Internet site
37 on the world wide web. The page must provide the following:

38 (A) By program, cumulative information on the total amount
39 of incentives awarded, the total number of companies that
40 received the incentives and were assisted in a year, and the
41 names and addresses of those companies.

42 (B) A mechanism on the page whereby the public may request

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- 1 further information online about specific programs or
- 2 incentives awarded.
- 3 (C) A mechanism for the public to receive an electronic
- 4 response.
- 5 (c) The corporation may do the following:
- 6 (1) Disseminate information concerning the industrial,
- 7 commercial, governmental, educational, cultural, recreational,
- 8 agricultural, and other advantages of Indiana.
- 9 (2) Plan, direct, and conduct research activities.
- 10 (3) Assist in community economic development planning and the
- 11 implementation of programs designed to further community
- 12 economic development.

13 SECTION 39. IC 5-30-8-6, AS AMENDED BY P.L.18-2011,
 14 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 15 UPON PASSAGE]: Sec. 6. (a) A determination under IC 5-16-7-1(c)
 16 for a public project to be constructed under a design-build contract
 17 shall be made and filed with the public agency at least two (2) weeks
 18 before the date fixed for submission of the qualitative proposal and the
 19 price proposal under IC 5-30-6-5.

20 (b) If the committee appointed under IC 5-16-7-1(b) fails to act and
 21 to file a determination under IC 5-16-7-1(c) within the time required by
 22 this section, the public agency shall make the determination, and its
 23 finding shall be final.

24 (c) The time periods set forth in this section apply to any
 25 construction services provided for a public project to be constructed
 26 under a design-build contract, instead of the time periods set forth in
 27 ~~IC 5-16-7-1(g) and IC 5-16-7-1(h) and IC 5-16-7-1(i).~~

28 SECTION 40. IC 6-1.1-12.1-4, AS AMENDED BY P.L.173-2011,
 29 SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 30 UPON PASSAGE]: Sec. 4. (a) Except as provided in section 2(i)(4) of
 31 this chapter, and subject to section 15 of this chapter, the amount of the
 32 deduction which the property owner is entitled to receive under section
 33 3 of this chapter for a particular year equals the product of:

- 34 (1) the increase in the assessed value resulting from the
- 35 rehabilitation or redevelopment; multiplied by
- 36 (2) either of the following:
 - 37 (A) The percentage prescribed in the table set forth in
 - 38 subsection (d).
 - 39 (B) ~~The A~~ percentage **prescribed by determined under**
 - 40 **section 17 of this chapter if the designating body elects to use**
 - 41 **the method set forth in an alternative abatement schedule**
 - 42 **provided under** section 17 of this chapter.

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1 (b) The amount of the deduction determined under subsection (a)
 2 shall be adjusted in accordance with this subsection in the following
 3 circumstances:

4 (1) If a general reassessment of real property occurs within the
 5 particular period of the deduction, the amount determined under
 6 subsection (a)(1) shall be adjusted to reflect the percentage
 7 increase or decrease in assessed valuation that resulted from the
 8 general reassessment.

9 (2) If an appeal of an assessment is approved that results in a
 10 reduction of the assessed value of the redeveloped or rehabilitated
 11 property, the amount of any deduction shall be adjusted to reflect
 12 the percentage decrease that resulted from the appeal.

13 The department of local government finance shall adopt rules under
 14 IC 4-22-2 to implement this subsection.

15 (c) Property owners who had an area designated an urban
 16 development area pursuant to an application filed prior to January 1,
 17 1979, are only entitled to the deduction for the first through the fifth
 18 years as provided in subsection (d)(10). In addition, property owners
 19 who are entitled to a deduction under this chapter pursuant to an
 20 application filed after December 31, 1978, and before January 1, 1986,
 21 are entitled to a deduction for the first through the tenth years, as
 22 provided in subsection (d)(10).

23 (d) The percentage that may be used in calculating the deduction
 24 under subsection (a)(2)(A) is as follows:

25 (1) For deductions allowed over a one (1) year period:

26 YEAR OF DEDUCTION	PERCENTAGE
27 1st	100%

28 (2) For deductions allowed over a two (2) year period:

29 YEAR OF DEDUCTION	PERCENTAGE
30 1st	100%
31 2nd	50%

32 (3) For deductions allowed over a three (3) year period:

33 YEAR OF DEDUCTION	PERCENTAGE
34 1st	100%
35 2nd	66%
36 3rd	33%

37 (4) For deductions allowed over a four (4) year period:

38 YEAR OF DEDUCTION	PERCENTAGE
39 1st	100%
40 2nd	75%
41 3rd	50%
42 4th	25%

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1	(5) For deductions allowed over a five (5) year period:	
2	YEAR OF DEDUCTION	PERCENTAGE
3	1st	100%
4	2nd	80%
5	3rd	60%
6	4th	40%
7	5th	20%
8	(6) For deductions allowed over a six (6) year period:	
9	YEAR OF DEDUCTION	PERCENTAGE
10	1st	100%
11	2nd	85%
12	3rd	66%
13	4th	50%
14	5th	34%
15	6th	17%
16	(7) For deductions allowed over a seven (7) year period:	
17	YEAR OF DEDUCTION	PERCENTAGE
18	1st	100%
19	2nd	85%
20	3rd	71%
21	4th	57%
22	5th	43%
23	6th	29%
24	7th	14%
25	(8) For deductions allowed over an eight (8) year period:	
26	YEAR OF DEDUCTION	PERCENTAGE
27	1st	100%
28	2nd	88%
29	3rd	75%
30	4th	63%
31	5th	50%
32	6th	38%
33	7th	25%
34	8th	13%
35	(9) For deductions allowed over a nine (9) year period:	
36	YEAR OF DEDUCTION	PERCENTAGE
37	1st	100%
38	2nd	88%
39	3rd	77%
40	4th	66%
41	5th	55%
42	6th	44%

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1	7th	33%
2	8th	22%
3	9th	11%
4	(10) For deductions allowed over a ten (10) year period:	
5	YEAR OF DEDUCTION	PERCENTAGE
6	1st	100%
7	2nd	95%
8	3rd	80%
9	4th	65%
10	5th	50%
11	6th	40%
12	7th	30%
13	8th	20%
14	9th	10%
15	10th	5%

SECTION 41. IC 6-1.1-12.1-4.5, AS AMENDED BY P.L.173-2011, SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4.5. (a) An applicant must provide a statement of benefits to the designating body. The applicant must provide the completed statement of benefits form to the designating body before the hearing specified in section 2.5(c) of this chapter or before the installation of the new manufacturing equipment, new research and development equipment, new logistical distribution equipment, or new information technology equipment for which the person desires to claim a deduction under this chapter. The department of local government finance shall prescribe a form for the statement of benefits. The statement of benefits must include the following information:

(1) A description of the new manufacturing equipment, new research and development equipment, new logistical distribution equipment, or new information technology equipment that the person proposes to acquire.

(2) With respect to:

(A) new manufacturing equipment not used to dispose of solid waste or hazardous waste by converting the solid waste or hazardous waste into energy or other useful products; and

(B) new research and development equipment, new logistical distribution equipment, or new information technology equipment;

an estimate of the number of individuals who will be employed or whose employment will be retained by the person as a result of the installation of the new manufacturing equipment, new research and development equipment, new logistical distribution

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1 equipment, or new information technology equipment and an
 2 estimate of the annual salaries of these individuals.
 3 (3) An estimate of the cost of the new manufacturing equipment,
 4 new research and development equipment, new logistical
 5 distribution equipment, or new information technology
 6 equipment.
 7 (4) With respect to new manufacturing equipment used to dispose
 8 of solid waste or hazardous waste by converting the solid waste
 9 or hazardous waste into energy or other useful products, an
 10 estimate of the amount of solid waste or hazardous waste that will
 11 be converted into energy or other useful products by the new
 12 manufacturing equipment.
 13 The statement of benefits may be incorporated in a designation
 14 application. Notwithstanding any other law, a statement of benefits is
 15 a public record that may be inspected and copied under IC 5-14-3-3.
 16 (b) The designating body must review the statement of benefits
 17 required under subsection (a). The designating body shall determine
 18 whether an area should be designated an economic revitalization area
 19 or whether the deduction shall be allowed, based on (and after it has
 20 made) the following findings:
 21 (1) Whether the estimate of the cost of the new manufacturing
 22 equipment, new research and development equipment, new
 23 logistical distribution equipment, or new information technology
 24 equipment is reasonable for equipment of that type.
 25 (2) With respect to:
 26 (A) new manufacturing equipment not used to dispose of solid
 27 waste or hazardous waste by converting the solid waste or
 28 hazardous waste into energy or other useful products; and
 29 (B) new research and development equipment, new logistical
 30 distribution equipment, or new information technology
 31 equipment;
 32 whether the estimate of the number of individuals who will be
 33 employed or whose employment will be retained can be
 34 reasonably expected to result from the installation of the new
 35 manufacturing equipment, new research and development
 36 equipment, new logistical distribution equipment, or new
 37 information technology equipment.
 38 (3) Whether the estimate of the annual salaries of those
 39 individuals who will be employed or whose employment will be
 40 retained can be reasonably expected to result from the proposed
 41 installation of new manufacturing equipment, new research and
 42 development equipment, new logistical distribution equipment, or

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1 new information technology equipment.
 2 (4) With respect to new manufacturing equipment used to dispose
 3 of solid waste or hazardous waste by converting the solid waste
 4 or hazardous waste into energy or other useful products, whether
 5 the estimate of the amount of solid waste or hazardous waste that
 6 will be converted into energy or other useful products can be
 7 reasonably expected to result from the installation of the new
 8 manufacturing equipment.
 9 (5) Whether any other benefits about which information was
 10 requested are benefits that can be reasonably expected to result
 11 from the proposed installation of new manufacturing equipment,
 12 new research and development equipment, new logistical
 13 distribution equipment, or new information technology
 14 equipment.
 15 (6) Whether the totality of benefits is sufficient to justify the
 16 deduction.
 17 The designating body may not designate an area an economic
 18 revitalization area or approve the deduction unless it makes the
 19 findings required by this subsection in the affirmative.
 20 (c) Except as provided in subsection (g), and subject to subsection
 21 (h) and section 15 of this chapter, an owner of new manufacturing
 22 equipment, new research and development equipment, new logistical
 23 distribution equipment, or new information technology equipment
 24 whose statement of benefits is approved after June 30, 2000, is entitled
 25 to a deduction from the assessed value of that equipment for the
 26 number of years determined by the designating body under subsection
 27 (f). Except as provided in subsection (e) and in section 2(i)(3) of this
 28 chapter, and subject to subsection (h) and section 15 of this chapter, the
 29 amount of the deduction that an owner is entitled to for a particular
 30 year equals the product of:
 31 (1) the assessed value of the new manufacturing equipment, new
 32 research and development equipment, new logistical distribution
 33 equipment, or new information technology equipment in the year
 34 of deduction under the appropriate table set forth in subsection
 35 (d); multiplied by
 36 (2) the percentage prescribed in the appropriate table set forth in
 37 subsection (d).
 38 (d) Unless the designating body elects to use ~~the method set forth in~~
 39 **an alternative abatement schedule provided under** section 17 of this
 40 chapter to calculate a deduction, the percentage to be used in
 41 calculating the deduction under subsection (c) is as follows:
 42 (1) For deductions allowed over a one (1) year period:

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1	YEAR OF DEDUCTION	PERCENTAGE
2	1st	100%
3	2nd and thereafter	0%
4	(2) For deductions allowed over a two (2) year period:	
5	YEAR OF DEDUCTION	PERCENTAGE
6	1st	100%
7	2nd	50%
8	3rd and thereafter	0%
9	(3) For deductions allowed over a three (3) year period:	
10	YEAR OF DEDUCTION	PERCENTAGE
11	1st	100%
12	2nd	66%
13	3rd	33%
14	4th and thereafter	0%
15	(4) For deductions allowed over a four (4) year period:	
16	YEAR OF DEDUCTION	PERCENTAGE
17	1st	100%
18	2nd	75%
19	3rd	50%
20	4th	25%
21	5th and thereafter	0%
22	(5) For deductions allowed over a five (5) year period:	
23	YEAR OF DEDUCTION	PERCENTAGE
24	1st	100%
25	2nd	80%
26	3rd	60%
27	4th	40%
28	5th	20%
29	6th and thereafter	0%
30	(6) For deductions allowed over a six (6) year period:	
31	YEAR OF DEDUCTION	PERCENTAGE
32	1st	100%
33	2nd	85%
34	3rd	66%
35	4th	50%
36	5th	34%
37	6th	25%
38	7th and thereafter	0%
39	(7) For deductions allowed over a seven (7) year period:	
40	YEAR OF DEDUCTION	PERCENTAGE
41	1st	100%
42	2nd	85%

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1	3rd	71%
2	4th	57%
3	5th	43%
4	6th	29%
5	7th	14%
6	8th and thereafter	0%
7	(8) For deductions allowed over an eight (8) year period:	
8	YEAR OF DEDUCTION	PERCENTAGE
9	1st	100%
10	2nd	88%
11	3rd	75%
12	4th	63%
13	5th	50%
14	6th	38%
15	7th	25%
16	8th	13%
17	9th and thereafter	0%
18	(9) For deductions allowed over a nine (9) year period:	
19	YEAR OF DEDUCTION	PERCENTAGE
20	1st	100%
21	2nd	88%
22	3rd	77%
23	4th	66%
24	5th	55%
25	6th	44%
26	7th	33%
27	8th	22%
28	9th	11%
29	10th and thereafter	0%
30	(10) For deductions allowed over a ten (10) year period:	
31	YEAR OF DEDUCTION	PERCENTAGE
32	1st	100%
33	2nd	90%
34	3rd	80%
35	4th	70%
36	5th	60%
37	6th	50%
38	7th	40%
39	8th	30%
40	9th	20%
41	10th	10%
42	11th and thereafter	0%

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1 (e) With respect to new manufacturing equipment and new research
 2 and development equipment installed before March 2, 2001, the
 3 deduction under this section is the amount that causes the net assessed
 4 value of the property after the application of the deduction under this
 5 section to equal the net assessed value after the application of the
 6 deduction under this section that results from computing:

7 (1) the deduction under this section as in effect on March 1, 2001;
 8 and

9 (2) the assessed value of the property under 50 IAC 4.2, as in
 10 effect on March 1, 2001, or, in the case of property subject to
 11 IC 6-1.1-8, 50 IAC 5.1, as in effect on March 1, 2001.

12 (f) For an economic revitalization area designated before July 1,
 13 2000, the designating body shall determine whether a property owner
 14 whose statement of benefits is approved after April 30, 1991, is entitled
 15 to a deduction for five (5) or ten (10) years. For an economic
 16 revitalization area designated after June 30, 2000, the designating body
 17 shall determine the number of years the deduction is allowed. However,
 18 the deduction may not be allowed for more than ten (10) years. This
 19 determination shall be made:

20 (1) as part of the resolution adopted under section 2.5 of this
 21 chapter; or

22 (2) by resolution adopted within sixty (60) days after receiving a
 23 copy of a property owner's certified deduction application from
 24 the county auditor. A certified copy of the resolution shall be sent
 25 to the county auditor.

26 A determination about the number of years the deduction is allowed
 27 that is made under subdivision (1) is final and may not be changed by
 28 following the procedure under subdivision (2).

29 (g) The owner of new manufacturing equipment that is directly used
 30 to dispose of hazardous waste is not entitled to the deduction provided
 31 by this section for a particular assessment year if during that
 32 assessment year the owner:

33 (1) is convicted of a criminal violation under IC 13, including
 34 IC 13-7-13-3 (repealed) or IC 13-7-13-4 (repealed); or

35 (2) is subject to an order or a consent decree with respect to
 36 property located in Indiana based on a violation of a federal or
 37 state rule, regulation, or statute governing the treatment, storage,
 38 or disposal of hazardous wastes that had a major or moderate
 39 potential for harm.

40 (h) For purposes of subsection (c), the assessed value of new
 41 manufacturing equipment, new research and development equipment,
 42 new logistical distribution equipment, or new information technology

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1 equipment that is part of an owner's assessable depreciable personal
 2 property in a single taxing district subject to the valuation limitation in
 3 50 IAC 4.2-4-9 or 50 IAC 5.1-6-9 is the product of:

4 (1) the assessed value of the equipment determined without
 5 regard to the valuation limitation in 50 IAC 4.2-4-9 or 50 IAC
 6 5.1-6-9; multiplied by

7 (2) the quotient of:

8 (A) the amount of the valuation limitation determined under
 9 50 IAC 4.2-4-9 or 50 IAC 5.1-6-9 for all of the owner's
 10 depreciable personal property in the taxing district; divided by

11 (B) the total true tax value of all of the owner's depreciable
 12 personal property in the taxing district that is subject to the
 13 valuation limitation in 50 IAC 4.2-4-9 or 50 IAC 5.1-6-9
 14 determined:

15 (i) under the depreciation schedules in the rules of the
 16 department of local government finance before any
 17 adjustment for abnormal obsolescence; and

18 (ii) without regard to the valuation limitation in 50 IAC
 19 4.2-4-9 or 50 IAC 5.1-6-9.

20 SECTION 42. IC 6-1.1-15-17, AS ADDED BY P.L.172-2011,
 21 SECTION 32, IS REPEALED [EFFECTIVE UPON PASSAGE]. See:
 22 17. This section applies to any review or appeal of an assessment under
 23 this chapter if the assessment that is the subject of the review or appeal
 24 increased the assessed value of the assessed property by more than five
 25 percent (5%) over the assessed value determined by the county assessor
 26 or township assessor (if any) for the immediately preceding assessment
 27 date for the same property. The county assessor or township assessor
 28 making the assessment has the burden of proving that the assessment
 29 is correct in any review or appeal under this chapter and in any appeals
 30 taken to the Indiana board of tax review or to the Indiana tax court.

31 SECTION 43. IC 6-1.1-15-17, AS ADDED BY P.L.220-2011,
 32 SECTION 125, IS REPEALED [EFFECTIVE UPON PASSAGE]. See:
 33 17. 50 IAC 2.3 (including the 2002 Real Property Assessment Manual
 34 and the Real Property Assessment Guidelines for 2002-Version A) and
 35 any other rule adopted by the state board of tax commissioners or the
 36 department of local government finance is void to the extent that it
 37 establishes a shelter allowance for real property used as a residence. It
 38 is the intent of the general assembly that the standard deduction under
 39 IC 6-1.1-12-37 is the method through which any relief that would have
 40 been granted through a shelter allowance shall be given to taxpayers.

41 SECTION 44. IC 6-1.1-15-17.2 IS ADDED TO THE INDIANA
 42 CODE AS A NEW SECTION TO READ AS FOLLOWS

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1 [EFFECTIVE UPON PASSAGE]: **Sec. 17.2. This section applies to**
 2 **any review or appeal of an assessment under this chapter if the**
 3 **assessment that is the subject of the review or appeal increased the**
 4 **assessed value of the assessed property by more than five percent**
 5 **(5%) over the assessed value determined by the county assessor or**
 6 **township assessor (if any) for the immediately preceding**
 7 **assessment date for the same property. The county assessor or**
 8 **township assessor making the assessment has the burden of**
 9 **proving that the assessment is correct in any review or appeal**
 10 **under this chapter and in any appeals taken to the Indiana board**
 11 **of tax review or to the Indiana tax court.**

12 SECTION 45. IC 6-1.1-15-17.4 IS ADDED TO THE INDIANA
 13 CODE AS A NEW SECTION TO READ AS FOLLOWS
 14 [EFFECTIVE UPON PASSAGE]: **Sec. 17.4. 50 IAC 2.3 (including**
 15 **the 2002 Real Property Assessment Manual and the Real Property**
 16 **Assessment Guidelines for 2002-Version A) and any other rule**
 17 **adopted by the state board of tax commissioners or the department**
 18 **of local government finance is void to the extent that it establishes**
 19 **a shelter allowance for real property used as a residence. It is the**
 20 **intent of the general assembly that the standard deduction under**
 21 **IC 6-1.1-12-37 is the method through which any relief that would**
 22 **have been granted through a shelter allowance shall be given to**
 23 **taxpayers.**

24 SECTION 46. IC 6-1.1-20.1 IS REPEALED [EFFECTIVE UPON
 25 PASSAGE]. (P.L.146-2008 Property Tax Credits).

26 SECTION 47. IC 6-3-1-3.5, AS AMENDED BY P.L.229-2011,
 27 SECTION 83, AS AMENDED BY P.L.171-2011, SECTION 4, AND
 28 AS AMENDED BY P.L.172-2011, SECTION 53, IS CORRECTED
 29 AND AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON
 30 PASSAGE]: **Sec. 3.5. When used in this article, the term "adjusted**
 31 **gross income" shall mean the following:**

32 (a) In the case of all individuals, "adjusted gross income" (as
 33 defined in Section 62 of the Internal Revenue Code), modified as
 34 follows:

- 35 (1) Subtract income that is exempt from taxation under this article
- 36 by the Constitution and statutes of the United States.
- 37 (2) Add an amount equal to any deduction or deductions allowed
- 38 or allowable pursuant to Section 62 of the Internal Revenue Code
- 39 for taxes based on or measured by income and levied at the state
- 40 level by any state of the United States.
- 41 (3) Subtract one thousand dollars (\$1,000), or in the case of a
- 42 joint return filed by a husband and wife, subtract for each spouse



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- 1 one thousand dollars (\$1,000).
 2 (4) Subtract one thousand dollars (\$1,000) for:
 3 (A) each of the exemptions provided by Section 151(c) of the
 4 Internal Revenue Code;
 5 (B) each additional amount allowable under Section 63(f) of
 6 the Internal Revenue Code; and
 7 (C) the spouse of the taxpayer if a separate return is made by
 8 the taxpayer and if the spouse, for the calendar year in which
 9 the taxable year of the taxpayer begins, has no gross income
 10 and is not the dependent of another taxpayer.
 11 (5) Subtract:
 12 (A) *for taxable years beginning after December 31, 2004*, one
 13 thousand five hundred dollars (\$1,500) for each of the
 14 exemptions allowed under Section 151(c)(1)(B) of the Internal
 15 Revenue Code (as effective January 1, 2004); and
 16 (B) five hundred dollars (\$500) for each additional amount
 17 allowable under Section 63(f)(1) of the Internal Revenue Code
 18 if the adjusted gross income of the taxpayer, or the taxpayer
 19 and the taxpayer's spouse in the case of a joint return, is less
 20 than forty thousand dollars (\$40,000).
 21 This amount is in addition to the amount subtracted under
 22 subdivision (4).
 23 (6) Subtract an amount equal to the lesser of:
 24 (A) that part of the individual's adjusted gross income (as
 25 defined in Section 62 of the Internal Revenue Code) for that
 26 taxable year that is subject to a tax that is imposed by a
 27 political subdivision of another state and that is imposed on or
 28 measured by income; or
 29 (B) two thousand dollars (\$2,000).
 30 (7) Add an amount equal to the total capital gain portion of a
 31 lump sum distribution (as defined in Section 402(e)(4)(D) of the
 32 Internal Revenue Code) if the lump sum distribution is received
 33 by the individual during the taxable year and if the capital gain
 34 portion of the distribution is taxed in the manner provided in
 35 Section 402 of the Internal Revenue Code.
 36 (8) Subtract any amounts included in federal adjusted gross
 37 income under Section 111 of the Internal Revenue Code as a
 38 recovery of items previously deducted as an itemized deduction
 39 from adjusted gross income.
 40 (9) Subtract any amounts included in federal adjusted gross
 41 income under the Internal Revenue Code which amounts were
 42 received by the individual as supplemental railroad retirement

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1 annuities under 45 U.S.C. 231 and which are not deductible under
 2 subdivision (1).
 3 ~~(10) Add an amount equal to the deduction allowed under Section~~
 4 ~~221 of the Internal Revenue Code for married couples filing joint~~
 5 ~~returns if the taxable year began before January 1, 1987.~~
 6 ~~(11) Add an amount equal to the interest excluded from federal~~
 7 ~~gross income by the individual for the taxable year under Section~~
 8 ~~128 of the Internal Revenue Code if the taxable year began before~~
 9 ~~January 1, 1985.~~
 10 ~~(12) (10) Subtract an amount equal to the amount of federal~~
 11 ~~Social Security and Railroad Retirement benefits included in a~~
 12 ~~taxpayer's federal gross income by Section 86 of the Internal~~
 13 ~~Revenue Code.~~
 14 ~~(13) (11) In the case of a nonresident taxpayer or a resident~~
 15 ~~taxpayer residing in Indiana for a period of less than the taxpayer's~~
 16 ~~entire taxable year, the total amount of the deductions allowed~~
 17 ~~pursuant to subdivisions (3), (4), (5), and (6) shall be reduced to~~
 18 ~~an amount which bears the same ratio to the total as the taxpayer's~~
 19 ~~income taxable in Indiana bears to the taxpayer's total income.~~
 20 ~~(14) (12) In the case of an individual who is a recipient of~~
 21 ~~assistance under IC 12-10-6-1, IC 12-10-6-2.1, IC 12-15-2-2, or~~
 22 ~~IC 12-15-7, subtract an amount equal to that portion of the~~
 23 ~~individual's adjusted gross income with respect to which the~~
 24 ~~individual is not allowed under federal law to retain an amount to~~
 25 ~~pay state and local income taxes.~~
 26 ~~(15) (13) In the case of an eligible individual, subtract the amount~~
 27 ~~of a Holocaust victim's settlement payment included in the~~
 28 ~~individual's federal adjusted gross income.~~
 29 ~~(16) For taxable years beginning after December 31, 1999, (14)~~
 30 ~~Subtract an amount equal to the portion of any premiums paid~~
 31 ~~during the taxable year by the taxpayer for a qualified long term~~
 32 ~~care policy (as defined in IC 12-15-39.6-5) for the taxpayer or the~~
 33 ~~taxpayer's spouse, or both.~~
 34 ~~(17) (15) Subtract an amount equal to the lesser of:~~
 35 ~~(A) for a taxable year:~~
 36 ~~(i) including any part of 2004, the amount determined under~~
 37 ~~subsection (f); and~~
 38 ~~(ii) beginning after December 31, 2004, two thousand five~~
 39 ~~hundred dollars (\$2,500); or~~
 40 ~~(B) the amount of property taxes that are paid during the~~
 41 ~~taxable year in Indiana by the individual on the individual's~~
 42 ~~principal place of residence.~~

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- 1 ~~(18)~~ (16) Subtract an amount equal to the amount of a September
 2 11 terrorist attack settlement payment included in the individual's
 3 federal adjusted gross income.
 4 ~~(19)~~ (17) Add or subtract the amount necessary to make the
 5 adjusted gross income of any taxpayer that owns property for
 6 which bonus depreciation was allowed in the current taxable year
 7 or in an earlier taxable year equal to the amount of adjusted gross
 8 income that would have been computed had an election not been
 9 made under Section 168(k) of the Internal Revenue Code to apply
 10 bonus depreciation to the property in the year that it was placed
 11 in service.
 12 ~~(20)~~ (18) Add an amount equal to any deduction allowed under
 13 Section 172 of the Internal Revenue Code.
 14 ~~(21)~~ (19) Add or subtract the amount necessary to make the
 15 adjusted gross income of any taxpayer that placed Section 179
 16 property (as defined in Section 179 of the Internal Revenue Code)
 17 in service in the current taxable year or in an earlier taxable year
 18 equal to the amount of adjusted gross income that would have
 19 been computed had an election for federal income tax purposes
 20 not been made for the year in which the property was placed in
 21 service to take deductions under Section 179 of the Internal
 22 Revenue Code in a total amount exceeding twenty-five thousand
 23 dollars (\$25,000).
 24 ~~(22)~~ (20) Add an amount equal to the amount that a taxpayer
 25 claimed as a deduction for domestic production activities for the
 26 taxable year under Section 199 of the Internal Revenue Code for
 27 federal income tax purposes.
 28 ~~(23)~~ (21) Subtract an amount equal to the amount of the taxpayer's
 29 qualified military income that was not excluded from the
 30 taxpayer's gross income for federal income tax purposes under
 31 Section 112 of the Internal Revenue Code.
 32 ~~(24)~~ (22) Subtract income that is:
 33 (A) exempt from taxation under IC 6-3-2-21.7; and
 34 (B) included in the individual's federal adjusted gross income
 35 under the Internal Revenue Code.
 36 ~~(25)~~ (23) Subtract any amount of a credit (including an advance
 37 refund of the credit) that is provided to an individual under 26
 38 U.S.C. 6428 (federal Economic Stimulus Act of 2008) and
 39 included in the individual's federal adjusted gross income.
 40 ~~(26)~~ (24) Add any amount of unemployment compensation
 41 excluded from federal gross income, as defined in Section 61 of
 42 the Internal Revenue Code, under Section 85(c) of the Internal

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1 Revenue Code.
2 ~~(27)~~ (25) Add the amount excluded from gross income under
3 Section 108(a)(1)(e) of the Internal Revenue Code for the
4 discharge of debt on a qualified principal residence.
5 ~~(28)~~ (26) Add an amount equal to any income not included in
6 gross income as a result of the deferral of income arising from
7 business indebtedness discharged in connection with the
8 reacquisition after December 31, 2008, and before January 1,
9 2011, of an applicable debt instrument, as provided in Section
10 108(i) of the Internal Revenue Code. Subtract the amount
11 necessary from the adjusted gross income of any taxpayer that
12 added an amount to adjusted gross income in a previous year to
13 offset the amount included in federal gross income as a result of
14 the deferral of income arising from business indebtedness
15 discharged in connection with the reacquisition after December
16 31, 2008, and before January 1, 2011, of an applicable debt
17 instrument, as provided in Section 108(i) of the Internal Revenue
18 Code.
19 ~~(29)~~ (27) Add the amount necessary to make the adjusted gross
20 income of any taxpayer that placed qualified restaurant property
21 in service during the taxable year and that was classified as
22 15-year property under Section 168(e)(3)(E)(v) of the Internal
23 Revenue Code equal to the amount of adjusted gross income that
24 would have been computed had the classification not applied to
25 the property in the year that it was placed in service.
26 ~~(30)~~ (28) Add the amount necessary to make the adjusted gross
27 income of any taxpayer that placed qualified retail improvement
28 property in service during the taxable year and that was classified
29 as 15-year property under Section 168(e)(3)(E)(ix) of the Internal
30 Revenue Code equal to the amount of adjusted gross income that
31 would have been computed had the classification not applied to
32 the property in the year that it was placed in service.
33 ~~(31)~~ (29) Add or subtract the amount necessary to make the
34 adjusted gross income of any taxpayer that claimed the special
35 allowance for qualified disaster assistance property under Section
36 168(n) of the Internal Revenue Code equal to the amount of
37 adjusted gross income that would have been computed had the
38 special allowance not been claimed for the property.
39 ~~(32)~~ (30) Add or subtract the amount necessary to make the
40 adjusted gross income of any taxpayer that made an election
41 under Section 179C of the Internal Revenue Code to expense
42 costs for qualified refinery property equal to the amount of

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1 adjusted gross income that would have been computed had an
 2 election for federal income tax purposes not been made for the
 3 year.
 4 ~~(33)~~ (31) Add or subtract the amount necessary to make the
 5 adjusted gross income of any taxpayer that made an election
 6 under Section 181 of the Internal Revenue Code to expense costs
 7 for a qualified film or television production equal to the amount
 8 of adjusted gross income that would have been computed had an
 9 election for federal income tax purposes not been made for the
 10 year.
 11 ~~(34)~~ (32) Add or subtract the amount necessary to make the
 12 adjusted gross income of any taxpayer that treated a loss from the
 13 sale or exchange of preferred stock in:
 14 (A) the Federal National Mortgage Association, established
 15 under the Federal National Mortgage Association Charter Act
 16 (12 U.S.C. 1716 et seq.); or
 17 (B) the Federal Home Loan Mortgage Corporation, established
 18 under the Federal Home Loan Mortgage Corporation Act (12
 19 U.S.C. 1451 et seq.);
 20 as an ordinary loss under Section 301 of the Emergency
 21 Economic Stabilization Act of 2008 in the current taxable year or
 22 in an earlier taxable year equal to the amount of adjusted gross
 23 income that would have been computed had the loss not been
 24 treated as an ordinary loss.
 25 *(33) Add the amount excluded from federal gross income under*
 26 *Section 103 of the Internal Revenue Code for interest received on*
 27 *an obligation of a state other than Indiana, or a political*
 28 *subdivision of such a state, that is acquired by the taxpayer after*
 29 *December 31, 2011.*
 30 ~~(35)~~ (34) *Add the amount deducted from gross income under*
 31 *Section 198 of the Internal Revenue Code for the expensing of*
 32 *environmental remediation costs.*
 33 ~~(36)~~ (35) *Add the amount excluded from gross income under*
 34 *Section 408(d)(8) of the Internal Revenue Code for a charitable*
 35 *distribution from an individual retirement plan.*
 36 ~~(37)~~ (36) *Add the amount deducted from gross income under*
 37 *Section 222 of the Internal Revenue Code for qualified tuition*
 38 *and related expenses.*
 39 ~~(38)~~ (37) *Add the amount deducted from gross income under*
 40 *Section 62(2)(D) of the Internal Revenue Code for certain*
 41 *expenses of elementary and secondary school teachers.*
 42 ~~(39)~~ (38) *Add the amount excluded from gross income under*

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1 Section 127 of the Internal Revenue Code as annual employer
 2 provided education expenses.
 3 ~~(40)~~ (39) Add the amount deducted from gross income under
 4 Section 179E of the Internal Revenue Code for any qualified
 5 advanced mine safety equipment property.
 6 ~~(41)~~ (40) Add the monthly amount excluded from gross income
 7 under Section 132(f)(1)(A) and 132(f)(1)(B) **of the Internal**
 8 **Revenue Code** that exceeds one hundred dollars (\$100) a month
 9 for a qualified transportation fringe.
 10 ~~(42)~~ (41) Add the amount deducted from gross income under
 11 Section 221 of the Internal Revenue Code that exceeds the
 12 amount the taxpayer could deduct under Section 221 of the
 13 Internal Revenue Code before it was amended by the Tax Relief,
 14 Unemployment Insurance Reauthorization, and Job Creation Act
 15 of 2010 (P.L. 111-312).
 16 ~~(43)~~ (42) Add the amount necessary to make the adjusted gross
 17 income of any taxpayer that placed any qualified leasehold
 18 improvement property in service during the taxable year and that
 19 was classified as 15-year property under Section 168(e)(3)(E)(iv)
 20 of the Internal Revenue Code equal to the amount of adjusted
 21 gross income that would have been computed had the
 22 classification not applied to the property in the year that it was
 23 placed into service.
 24 ~~(44)~~ (43) Add the amount necessary to make the adjusted gross
 25 income of any taxpayer that placed a motorsports entertainment
 26 complex in service during the taxable year and that was classified
 27 as 7-year property under Section 168(e)(3)(C)(ii) of the Internal
 28 Revenue Code equal to the amount of adjusted gross income that
 29 would have been computed had the classification not applied to
 30 the property in the year that it was placed into service.
 31 ~~(45)~~ (44) Add the amount deducted under Section 195 of the
 32 Internal Revenue Code for start-up expenditures that exceeds the
 33 amount the taxpayer could deduct under Section 195 of the
 34 Internal Revenue Code before it was amended by the Small
 35 Business Jobs Act of 2010 (P.L. 111-240).
 36 ~~(46)~~ (45) Add the amount necessary to make the adjusted gross
 37 income of any taxpayer for which tax was not imposed on the net
 38 recognized built-in gain of an S corporation under Section
 39 1374(d)(7) of the Internal Revenue Code as amended by the Small
 40 Business Jobs Act of 2010 (P.L. 111-240) equal to the amount of
 41 adjusted gross income that would have been computed before
 42 Section 1374(d)(7) of the Internal Revenue Code as amended by

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1 *the Small Business Jobs Act of 2010 (P.L. 111-240).*

2 ~~(35)~~ **(46)** *This subdivision does not apply to payments made for*
 3 *services provided to a business that was enrolled and*
 4 *participated in the E-Verify program (as defined in*
 5 *IC 22-5-1.7-3) during the time the taxpayer conducted business*
 6 *in Indiana in the taxable year. For a taxable year beginning after*
 7 *June 30, 2011, add the amount of any trade or business deduction*
 8 *allowed under the Internal Revenue Code for wages,*
 9 *reimbursements, or other payments made for services provided*
 10 *in Indiana by an individual for services as an employee, if the*
 11 *individual was, during the period of service, prohibited from*
 12 *being hired as an employee under 8 U.S.C. 1324a.*

13 (b) In the case of corporations, the same as "taxable income" (as
 14 defined in Section 63 of the Internal Revenue Code) adjusted as
 15 follows:

16 (1) Subtract income that is exempt from taxation under this article
 17 by the Constitution and statutes of the United States.

18 (2) Add an amount equal to any deduction or deductions allowed
 19 or allowable pursuant to Section 170 of the Internal Revenue
 20 Code.

21 (3) Add an amount equal to any deduction or deductions allowed
 22 or allowable pursuant to Section 63 of the Internal Revenue Code
 23 for taxes based on or measured by income and levied at the state
 24 level by any state of the United States.

25 (4) Subtract an amount equal to the amount included in the
 26 corporation's taxable income under Section 78 of the Internal
 27 Revenue Code.

28 (5) Add or subtract the amount necessary to make the adjusted
 29 gross income of any taxpayer that owns property for which bonus
 30 depreciation was allowed in the current taxable year or in an
 31 earlier taxable year equal to the amount of adjusted gross income
 32 that would have been computed had an election not been made
 33 under Section 168(k) of the Internal Revenue Code to apply bonus
 34 depreciation to the property in the year that it was placed in
 35 service.

36 (6) Add an amount equal to any deduction allowed under Section
 37 172 of the Internal Revenue Code.

38 (7) Add or subtract the amount necessary to make the adjusted
 39 gross income of any taxpayer that placed Section 179 property (as
 40 defined in Section 179 of the Internal Revenue Code) in service
 41 in the current taxable year or in an earlier taxable year equal to
 42 the amount of adjusted gross income that would have been

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1 computed had an election for federal income tax purposes not
 2 been made for the year in which the property was placed in
 3 service to take deductions under Section 179 of the Internal
 4 Revenue Code in a total amount exceeding twenty-five thousand
 5 dollars (\$25,000).

6 (8) Add an amount equal to the amount that a taxpayer claimed as
 7 a deduction for domestic production activities for the taxable year
 8 under Section 199 of the Internal Revenue Code for federal
 9 income tax purposes.

10 (9) Add to the extent required by IC 6-3-2-20 the amount of
 11 intangible expenses (as defined in IC 6-3-2-20) and any directly
 12 related intangible interest expenses (as defined in IC 6-3-2-20) for
 13 the taxable year that reduced the corporation's taxable income (as
 14 defined in Section 63 of the Internal Revenue Code) for federal
 15 income tax purposes.

16 (10) Add an amount equal to any deduction for dividends paid (as
 17 defined in Section 561 of the Internal Revenue Code) to
 18 shareholders of a captive real estate investment trust (as defined
 19 in section 34.5 of this chapter).

20 (11) Subtract income that is:

21 (A) exempt from taxation under IC 6-3-2-21.7; and

22 (B) included in the corporation's taxable income under the
 23 Internal Revenue Code.

24 (12) Add an amount equal to any income not included in gross
 25 income as a result of the deferral of income arising from business
 26 indebtedness discharged in connection with the reacquisition after
 27 December 31, 2008, and before January 1, 2011, of an applicable
 28 debt instrument, as provided in Section 108(i) of the Internal
 29 Revenue Code. Subtract from the adjusted gross income of any
 30 taxpayer that added an amount to adjusted gross income in a
 31 previous year the amount necessary to offset the amount included
 32 in federal gross income as a result of the deferral of income
 33 arising from business indebtedness discharged in connection with
 34 the reacquisition after December 31, 2008, and before January 1,
 35 2011, of an applicable debt instrument, as provided in Section
 36 108(i) of the Internal Revenue Code.

37 (13) Add the amount necessary to make the adjusted gross income
 38 of any taxpayer that placed qualified restaurant property in service
 39 during the taxable year and that was classified as 15-year property
 40 under Section 168(e)(3)(E)(v) of the Internal Revenue Code equal
 41 to the amount of adjusted gross income that would have been
 42 computed had the classification not applied to the property in the

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- 1 year that it was placed in service.
- 2 (14) Add the amount necessary to make the adjusted gross income
- 3 of any taxpayer that placed qualified retail improvement property
- 4 in service during the taxable year and that was classified as
- 5 15-year property under Section 168(e)(3)(E)(ix) of the Internal
- 6 Revenue Code equal to the amount of adjusted gross income that
- 7 would have been computed had the classification not applied to
- 8 the property in the year that it was placed in service.
- 9 (15) Add or subtract the amount necessary to make the adjusted
- 10 gross income of any taxpayer that claimed the special allowance
- 11 for qualified disaster assistance property under Section 168(n) of
- 12 the Internal Revenue Code equal to the amount of adjusted gross
- 13 income that would have been computed had the special allowance
- 14 not been claimed for the property.
- 15 (16) Add or subtract the amount necessary to make the adjusted
- 16 gross income of any taxpayer that made an election under Section
- 17 179C of the Internal Revenue Code to expense costs for qualified
- 18 refinery property equal to the amount of adjusted gross income
- 19 that would have been computed had an election for federal
- 20 income tax purposes not been made for the year.
- 21 (17) Add or subtract the amount necessary to make the adjusted
- 22 gross income of any taxpayer that made an election under Section
- 23 181 of the Internal Revenue Code to expense costs for a qualified
- 24 film or television production equal to the amount of adjusted
- 25 gross income that would have been computed had an election for
- 26 federal income tax purposes not been made for the year.
- 27 (18) Add or subtract the amount necessary to make the adjusted
- 28 gross income of any taxpayer that treated a loss from the sale or
- 29 exchange of preferred stock in:
- 30 (A) the Federal National Mortgage Association, established
- 31 under the Federal National Mortgage Association Charter Act
- 32 (12 U.S.C. 1716 et seq.); or
- 33 (B) the Federal Home Loan Mortgage Corporation, established
- 34 under the Federal Home Loan Mortgage Corporation Act (12
- 35 U.S.C. 1451 et seq.);
- 36 as an ordinary loss under Section 301 of the Emergency
- 37 Economic Stabilization Act of 2008 in the current taxable year or
- 38 in an earlier taxable year equal to the amount of adjusted gross
- 39 income that would have been computed had the loss not been
- 40 treated as an ordinary loss.
- 41 (19) Add the amount deducted from gross income under Section
- 42 198 of the Internal Revenue Code for the expensing of

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1 *environmental remediation costs.*

2 *(20) Add the amount deducted from gross income under Section*
 3 *179E of the Internal Revenue Code for any qualified advanced*
 4 *mine safety equipment property.*

5 *(21) Add the amount necessary to make the adjusted gross income*
 6 *of any taxpayer that placed any qualified leasehold improvement*
 7 *property in service during the taxable year and that was*
 8 *classified as 15-year property under Section 168(e)(3)(E)(iv) of*
 9 *the Internal Revenue Code equal to the amount of adjusted gross*
 10 *income that would have been computed had the classification not*
 11 *applied to the property in the year that it was placed into service.*

12 *(22) Add the amount necessary to make the adjusted gross income*
 13 *of any taxpayer that placed a motorsports entertainment complex*
 14 *in service during the taxable year and that was classified as*
 15 *7-year property under Section 168(e)(3)(C)(ii) of the Internal*
 16 *Revenue Code equal to the amount of adjusted gross income that*
 17 *would have been computed had the classification not applied to*
 18 *the property in the year that it was placed into service.*

19 *(23) Add the amount deducted under Section 195 of the Internal*
 20 *Revenue Code for start-up expenditures that exceeds the amount*
 21 *the taxpayer could deduct under Section 195 of the Internal*
 22 *Revenue Code before it was amended by the Small Business Jobs*
 23 *Act of 2010 (P.L. 111-240).*

24 ~~(19)~~ **(24)** *This subdivision does not apply to payments made for*
 25 *services provided to a business that was enrolled and*
 26 *participated in the E-Verify program (as defined in*
 27 *IC 22-5-1.7-3) during the time the taxpayer conducted business*
 28 *in Indiana in the taxable year. For a taxable year beginning after*
 29 *June 30, 2011, add the amount of any trade or business deduction*
 30 *allowed under the Internal Revenue Code for wages,*
 31 *reimbursements, or other payments made for services provided*
 32 *in Indiana by an individual for services as an employee, if the*
 33 *individual was, during the period of service, prohibited from*
 34 *being hired as an employee under 8 U.S.C. 1324a.*

35 ~~(24)~~ **(25)** *Add the amount excluded from federal gross income*
 36 *under Section 103 of the Internal Revenue Code for interest*
 37 *received on an obligation of a state other than Indiana, or a*
 38 *political subdivision of such a state, that is acquired by the*
 39 *taxpayer after December 31, 2011.*

40 (c) *In the case of life insurance companies (as defined in Section*
 41 *816(a) of the Internal Revenue Code) that are organized under Indiana*
 42 *law, the same as "life insurance company taxable income" (as defined*

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- 1 in Section 801 of the Internal Revenue Code), adjusted as follows:
- 2 (1) Subtract income that is exempt from taxation under this article
- 3 by the Constitution and statutes of the United States.
- 4 (2) Add an amount equal to any deduction allowed or allowable
- 5 under Section 170 of the Internal Revenue Code.
- 6 (3) Add an amount equal to a deduction allowed or allowable
- 7 under Section 805 or Section 831(c) of the Internal Revenue Code
- 8 for taxes based on or measured by income and levied at the state
- 9 level by any state.
- 10 (4) Subtract an amount equal to the amount included in the
- 11 company's taxable income under Section 78 of the Internal
- 12 Revenue Code.
- 13 (5) Add or subtract the amount necessary to make the adjusted
- 14 gross income of any taxpayer that owns property for which bonus
- 15 depreciation was allowed in the current taxable year or in an
- 16 earlier taxable year equal to the amount of adjusted gross income
- 17 that would have been computed had an election not been made
- 18 under Section 168(k) of the Internal Revenue Code to apply bonus
- 19 depreciation to the property in the year that it was placed in
- 20 service.
- 21 (6) Add an amount equal to any deduction allowed under Section
- 22 172 or Section 810 of the Internal Revenue Code.
- 23 (7) Add or subtract the amount necessary to make the adjusted
- 24 gross income of any taxpayer that placed Section 179 property (as
- 25 defined in Section 179 of the Internal Revenue Code) in service
- 26 in the current taxable year or in an earlier taxable year equal to
- 27 the amount of adjusted gross income that would have been
- 28 computed had an election for federal income tax purposes not
- 29 been made for the year in which the property was placed in
- 30 service to take deductions under Section 179 of the Internal
- 31 Revenue Code in a total amount exceeding twenty-five thousand
- 32 dollars (\$25,000).
- 33 (8) Add an amount equal to the amount that a taxpayer claimed as
- 34 a deduction for domestic production activities for the taxable year
- 35 under Section 199 of the Internal Revenue Code for federal
- 36 income tax purposes.
- 37 (9) Subtract income that is:
- 38 (A) exempt from taxation under IC 6-3-2-21.7; and
- 39 (B) included in the insurance company's taxable income under
- 40 the Internal Revenue Code.
- 41 (10) Add an amount equal to any income not included in gross
- 42 income as a result of the deferral of income arising from business

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1 indebtedness discharged in connection with the reacquisition after
 2 December 31, 2008, and before January 1, 2011, of an applicable
 3 debt instrument, as provided in Section 108(i) of the Internal
 4 Revenue Code. Subtract from the adjusted gross income of any
 5 taxpayer that added an amount to adjusted gross income in a
 6 previous year the amount necessary to offset the amount included
 7 in federal gross income as a result of the deferral of income
 8 arising from business indebtedness discharged in connection with
 9 the reacquisition after December 31, 2008, and before January 1,
 10 2011, of an applicable debt instrument, as provided in Section
 11 108(i) of the Internal Revenue Code.

12 (11) Add the amount necessary to make the adjusted gross income
 13 of any taxpayer that placed qualified restaurant property in service
 14 during the taxable year and that was classified as 15-year property
 15 under Section 168(e)(3)(E)(v) of the Internal Revenue Code equal
 16 to the amount of adjusted gross income that would have been
 17 computed had the classification not applied to the property in the
 18 year that it was placed in service.

19 (12) Add the amount necessary to make the adjusted gross income
 20 of any taxpayer that placed qualified retail improvement property
 21 in service during the taxable year and that was classified as
 22 15-year property under Section 168(e)(3)(E)(ix) of the Internal
 23 Revenue Code equal to the amount of adjusted gross income that
 24 would have been computed had the classification not applied to
 25 the property in the year that it was placed in service.

26 (13) Add or subtract the amount necessary to make the adjusted
 27 gross income of any taxpayer that claimed the special allowance
 28 for qualified disaster assistance property under Section 168(n) of
 29 the Internal Revenue Code equal to the amount of adjusted gross
 30 income that would have been computed had the special allowance
 31 not been claimed for the property.

32 (14) Add or subtract the amount necessary to make the adjusted
 33 gross income of any taxpayer that made an election under Section
 34 179C of the Internal Revenue Code to expense costs for qualified
 35 refinery property equal to the amount of adjusted gross income
 36 that would have been computed had an election for federal
 37 income tax purposes not been made for the year.

38 (15) Add or subtract the amount necessary to make the adjusted
 39 gross income of any taxpayer that made an election under Section
 40 181 of the Internal Revenue Code to expense costs for a qualified
 41 film or television production equal to the amount of adjusted
 42 gross income that would have been computed had an election for

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1 federal income tax purposes not been made for the year.

2 (16) Add or subtract the amount necessary to make the adjusted
3 gross income of any taxpayer that treated a loss from the sale or
4 exchange of preferred stock in:

5 (A) the Federal National Mortgage Association, established
6 under the Federal National Mortgage Association Charter Act
7 (12 U.S.C. 1716 et seq.); or

8 (B) the Federal Home Loan Mortgage Corporation, established
9 under the Federal Home Loan Mortgage Corporation Act (12
10 U.S.C. 1451 et seq.);

11 as an ordinary loss under Section 301 of the Emergency
12 Economic Stabilization Act of 2008 in the current taxable year or
13 in an earlier taxable year equal to the amount of adjusted gross
14 income that would have been computed had the loss not been
15 treated as an ordinary loss.

16 (17) Add an amount equal to any exempt insurance income under
17 Section 953(e) of the Internal Revenue Code that is active
18 financing income under Subpart F of Subtitle A, Chapter 1,
19 Subchapter N of the Internal Revenue Code.

20 *(18) Add the amount necessary to make the adjusted gross income*
21 *of any taxpayer that placed any qualified leasehold improvement*
22 *property in service during the taxable year and that was*
23 *classified as 15-year property under Section 168(e)(3)(E)(iv) of*
24 *the Internal Revenue Code equal to the amount of adjusted gross*
25 *income that would have been computed had the classification not*
26 *applied to the property in the year that it was placed into service.*

27 *(19) Add the amount necessary to make the adjusted gross income*
28 *of any taxpayer that placed a motorsports entertainment complex*
29 *in service during the taxable year and that was classified as*
30 *7-year property under Section 168(e)(3)(C)(ii) of the Internal*
31 *Revenue Code equal to the amount of adjusted gross income that*
32 *would have been computed had the classification not applied to*
33 *the property in the year that it was placed into service.*

34 *(20) Add the amount deducted under Section 195 of the Internal*
35 *Revenue Code for start-up expenditures that exceeds the amount*
36 *the taxpayer could deduct under Section 195 of the Internal*
37 *Revenue Code before it was amended by the Small Business Jobs*
38 *Act of 2010 (P.L. 111-240).*

39 *(21) Add the amount deducted from gross income under Section*
40 *198 of the Internal Revenue Code for the expensing of*
41 *environmental remediation costs.*

42 *(22) Add the amount deducted from gross income under Section*

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1 *179E of the Internal Revenue Code for any qualified advanced*
 2 *mine safety equipment property.*

3 ~~(18)~~ **(23)** *This subdivision does not apply to payments made for*
 4 *services provided to a business that was enrolled and*
 5 *participated in the E-Verify program (as defined in*
 6 *IC 22-5-1.7-3) during the time the taxpayer conducted business*
 7 *in Indiana in the taxable year. For a taxable year beginning after*
 8 *June 30, 2011, add the amount of any trade or business deduction*
 9 *allowed under the Internal Revenue Code for wages,*
 10 *reimbursements, or other payments made for services provided*
 11 *in Indiana by an individual for services as an employee, if the*
 12 *individual was, during the period of service, prohibited from*
 13 *being hired as an employee under 8 U.S.C. 1324a.*

14 ~~(23)~~ **(24)** *Add the amount excluded from federal gross income*
 15 *under Section 103 of the Internal Revenue Code for interest*
 16 *received on an obligation of a state other than Indiana, or a*
 17 *political subdivision of such a state, that is acquired by the*
 18 *taxpayer after December 31, 2011.*

19 (d) *In the case of insurance companies subject to tax under Section*
 20 *831 of the Internal Revenue Code and organized under Indiana law, the*
 21 *same as "taxable income" (as defined in Section 832 of the Internal*
 22 *Revenue Code), adjusted as follows:*

23 (1) *Subtract income that is exempt from taxation under this article*
 24 *by the Constitution and statutes of the United States.*

25 (2) *Add an amount equal to any deduction allowed or allowable*
 26 *under Section 170 of the Internal Revenue Code.*

27 (3) *Add an amount equal to a deduction allowed or allowable*
 28 *under Section 805 or Section 831(c) of the Internal Revenue Code*
 29 *for taxes based on or measured by income and levied at the state*
 30 *level by any state.*

31 (4) *Subtract an amount equal to the amount included in the*
 32 *company's taxable income under Section 78 of the Internal*
 33 *Revenue Code.*

34 (5) *Add or subtract the amount necessary to make the adjusted*
 35 *gross income of any taxpayer that owns property for which bonus*
 36 *depreciation was allowed in the current taxable year or in an*
 37 *earlier taxable year equal to the amount of adjusted gross income*
 38 *that would have been computed had an election not been made*
 39 *under Section 168(k) of the Internal Revenue Code to apply bonus*
 40 *depreciation to the property in the year that it was placed in*
 41 *service.*

42 (6) *Add an amount equal to any deduction allowed under Section*

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- 1 172 of the Internal Revenue Code.
- 2 (7) Add or subtract the amount necessary to make the adjusted
- 3 gross income of any taxpayer that placed Section 179 property (as
- 4 defined in Section 179 of the Internal Revenue Code) in service
- 5 in the current taxable year or in an earlier taxable year equal to
- 6 the amount of adjusted gross income that would have been
- 7 computed had an election for federal income tax purposes not
- 8 been made for the year in which the property was placed in
- 9 service to take deductions under Section 179 of the Internal
- 10 Revenue Code in a total amount exceeding twenty-five thousand
- 11 dollars (\$25,000).
- 12 (8) Add an amount equal to the amount that a taxpayer claimed as
- 13 a deduction for domestic production activities for the taxable year
- 14 under Section 199 of the Internal Revenue Code for federal
- 15 income tax purposes.
- 16 (9) Subtract income that is:
- 17 (A) exempt from taxation under IC 6-3-2-21.7; and
- 18 (B) included in the insurance company's taxable income under
- 19 the Internal Revenue Code.
- 20 (10) Add an amount equal to any income not included in gross
- 21 income as a result of the deferral of income arising from business
- 22 indebtedness discharged in connection with the reacquisition after
- 23 December 31, 2008, and before January 1, 2011, of an applicable
- 24 debt instrument, as provided in Section 108(i) of the Internal
- 25 Revenue Code. Subtract from the adjusted gross income of any
- 26 taxpayer that added an amount to adjusted gross income in a
- 27 previous year the amount necessary to offset the amount included
- 28 in federal gross income as a result of the deferral of income
- 29 arising from business indebtedness discharged in connection with
- 30 the reacquisition after December 31, 2008, and before January 1,
- 31 2011, of an applicable debt instrument, as provided in Section
- 32 108(i) of the Internal Revenue Code.
- 33 (11) Add the amount necessary to make the adjusted gross income
- 34 of any taxpayer that placed qualified restaurant property in service
- 35 during the taxable year and that was classified as 15-year property
- 36 under Section 168(e)(3)(E)(v) of the Internal Revenue Code equal
- 37 to the amount of adjusted gross income that would have been
- 38 computed had the classification not applied to the property in the
- 39 year that it was placed in service.
- 40 (12) Add the amount necessary to make the adjusted gross income
- 41 of any taxpayer that placed qualified retail improvement property
- 42 in service during the taxable year and that was classified as

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1 15-year property under Section 168(e)(3)(E)(ix) of the Internal
2 Revenue Code equal to the amount of adjusted gross income that
3 would have been computed had the classification not applied to
4 the property in the year that it was placed in service.
5 (13) Add or subtract the amount necessary to make the adjusted
6 gross income of any taxpayer that claimed the special allowance
7 for qualified disaster assistance property under Section 168(n) of
8 the Internal Revenue Code equal to the amount of adjusted gross
9 income that would have been computed had the special allowance
10 not been claimed for the property.
11 (14) Add or subtract the amount necessary to make the adjusted
12 gross income of any taxpayer that made an election under Section
13 179C of the Internal Revenue Code to expense costs for qualified
14 refinery property equal to the amount of adjusted gross income
15 that would have been computed had an election for federal
16 income tax purposes not been made for the year.
17 (15) Add or subtract the amount necessary to make the adjusted
18 gross income of any taxpayer that made an election under Section
19 181 of the Internal Revenue Code to expense costs for a qualified
20 film or television production equal to the amount of adjusted
21 gross income that would have been computed had an election for
22 federal income tax purposes not been made for the year.
23 (16) Add or subtract the amount necessary to make the adjusted
24 gross income of any taxpayer that treated a loss from the sale or
25 exchange of preferred stock in:
26 (A) the Federal National Mortgage Association, established
27 under the Federal National Mortgage Association Charter Act
28 (12 U.S.C. 1716 et seq.); or
29 (B) the Federal Home Loan Mortgage Corporation, established
30 under the Federal Home Loan Mortgage Corporation Act (12
31 U.S.C. 1451 et seq.);
32 as an ordinary loss under Section 301 of the Emergency
33 Economic Stabilization Act of 2008 in the current taxable year or
34 in an earlier taxable year equal to the amount of adjusted gross
35 income that would have been computed had the loss not been
36 treated as an ordinary loss.
37 (17) Add an amount equal to any exempt insurance income under
38 Section 953(e) of the Internal Revenue Code that is active
39 financing income under Subpart F of Subtitle A, Chapter 1,
40 Subchapter N of the Internal Revenue Code.
41 (18) Add the amount necessary to make the adjusted gross income
42 of any taxpayer that placed any qualified leasehold improvement

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1 *property in service during the taxable year and that was*
 2 *classified as 15-year property under Section 168(e)(3)(E)(iv) of*
 3 *the Internal Revenue Code equal to the amount of adjusted gross*
 4 *income that would have been computed had the classification not*
 5 *applied to the property in the year that it was placed into service.*

6 *(19) Add the amount necessary to make the adjusted gross income*
 7 *of any taxpayer that placed a motorsports entertainment complex*
 8 *in service during the taxable year and that was classified as*
 9 *7-year property under Section 168(e)(3)(C)(ii) of the Internal*
 10 *Revenue Code equal to the amount of adjusted gross income that*
 11 *would have been computed had the classification not applied to*
 12 *the property in the year that it was placed into service.*

13 *(20) Add the amount deducted under Section 195 of the Internal*
 14 *Revenue Code for start-up expenditures that exceeds the amount*
 15 *the taxpayer could deduct under Section 195 of the Internal*
 16 *Revenue Code before it was amended by the Small Business Jobs*
 17 *Act of 2010 (P.L. 111-240).*

18 *(21) Add the amount deducted from gross income under Section*
 19 *198 of the Internal Revenue Code for the expensing of*
 20 *environmental remediation costs.*

21 *(22) Add the amount deducted from gross income under Section*
 22 *179E of the Internal Revenue Code for any qualified advanced*
 23 *mine safety equipment property.*

24 ~~(18)~~ **(23)** *This subdivision does not apply to payments made for*
 25 *services provided to a business that was enrolled and*
 26 *participated in the E-Verify program (as defined in*
 27 *IC 22-5-1.7-3) during the time the taxpayer conducted business*
 28 *in Indiana in the taxable year. For a taxable year beginning after*
 29 *June 30, 2011, add the amount of any trade or business deduction*
 30 *allowed under the Internal Revenue Code for wages,*
 31 *reimbursements, or other payments made for services provided*
 32 *in Indiana by an individual for services as an employee, if the*
 33 *individual was, during the period of service, prohibited from*
 34 *being hired as an employee under 8 U.S.C. 1324a.*

35 ~~(23)~~ **(24)** *Add the amount excluded from federal gross income*
 36 *under Section 103 of the Internal Revenue Code for interest*
 37 *received on an obligation of a state other than Indiana, or a*
 38 *political subdivision of such a state, that is acquired by the*
 39 *taxpayer after December 31, 2011.*

40 (e) In the case of trusts and estates, "taxable income" (as defined for
 41 trusts and estates in Section 641(b) of the Internal Revenue Code)
 42 adjusted as follows:



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- 1 (1) Subtract income that is exempt from taxation under this article
 2 by the Constitution and statutes of the United States.
- 3 (2) Subtract an amount equal to the amount of a September 11
 4 terrorist attack settlement payment included in the federal
 5 adjusted gross income of the estate of a victim of the September
 6 11 terrorist attack or a trust to the extent the trust benefits a victim
 7 of the September 11 terrorist attack.
- 8 (3) Add or subtract the amount necessary to make the adjusted
 9 gross income of any taxpayer that owns property for which bonus
 10 depreciation was allowed in the current taxable year or in an
 11 earlier taxable year equal to the amount of adjusted gross income
 12 that would have been computed had an election not been made
 13 under Section 168(k) of the Internal Revenue Code to apply bonus
 14 depreciation to the property in the year that it was placed in
 15 service.
- 16 (4) Add an amount equal to any deduction allowed under Section
 17 172 of the Internal Revenue Code.
- 18 (5) Add or subtract the amount necessary to make the adjusted
 19 gross income of any taxpayer that placed Section 179 property (as
 20 defined in Section 179 of the Internal Revenue Code) in service
 21 in the current taxable year or in an earlier taxable year equal to
 22 the amount of adjusted gross income that would have been
 23 computed had an election for federal income tax purposes not
 24 been made for the year in which the property was placed in
 25 service to take deductions under Section 179 of the Internal
 26 Revenue Code in a total amount exceeding twenty-five thousand
 27 dollars (\$25,000).
- 28 (6) Add an amount equal to the amount that a taxpayer claimed as
 29 a deduction for domestic production activities for the taxable year
 30 under Section 199 of the Internal Revenue Code for federal
 31 income tax purposes.
- 32 (7) Subtract income that is:
- 33 (A) exempt from taxation under IC 6-3-2-21.7; and
- 34 (B) included in the taxpayer's taxable income under the
 35 Internal Revenue Code.
- 36 (8) Add an amount equal to any income not included in gross
 37 income as a result of the deferral of income arising from business
 38 indebtedness discharged in connection with the reacquisition after
 39 December 31, 2008, and before January 1, 2011, of an applicable
 40 debt instrument, as provided in Section 108(i) of the Internal
 41 Revenue Code. Subtract from the adjusted gross income of any
 42 taxpayer that added an amount to adjusted gross income in a

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- 1 previous year the amount necessary to offset the amount included
- 2 in federal gross income as a result of the deferral of income
- 3 arising from business indebtedness discharged in connection with
- 4 the reacquisition after December 31, 2008, and before January 1,
- 5 2011, of an applicable debt instrument, as provided in Section
- 6 108(i) of the Internal Revenue Code.
- 7 (9) Add the amount necessary to make the adjusted gross income
- 8 of any taxpayer that placed qualified restaurant property in service
- 9 during the taxable year and that was classified as 15-year property
- 10 under Section 168(e)(3)(E)(v) of the Internal Revenue Code equal
- 11 to the amount of adjusted gross income that would have been
- 12 computed had the classification not applied to the property in the
- 13 year that it was placed in service.
- 14 (10) Add the amount necessary to make the adjusted gross income
- 15 of any taxpayer that placed qualified retail improvement property
- 16 in service during the taxable year and that was classified as
- 17 15-year property under Section 168(e)(3)(E)(ix) of the Internal
- 18 Revenue Code equal to the amount of adjusted gross income that
- 19 would have been computed had the classification not applied to
- 20 the property in the year that it was placed in service.
- 21 (11) Add or subtract the amount necessary to make the adjusted
- 22 gross income of any taxpayer that claimed the special allowance
- 23 for qualified disaster assistance property under Section 168(n) of
- 24 the Internal Revenue Code equal to the amount of adjusted gross
- 25 income that would have been computed had the special allowance
- 26 not been claimed for the property.
- 27 (12) Add or subtract the amount necessary to make the adjusted
- 28 gross income of any taxpayer that made an election under Section
- 29 179C of the Internal Revenue Code to expense costs for qualified
- 30 refinery property equal to the amount of adjusted gross income
- 31 that would have been computed had an election for federal
- 32 income tax purposes not been made for the year.
- 33 (13) Add or subtract the amount necessary to make the adjusted
- 34 gross income of any taxpayer that made an election under Section
- 35 181 of the Internal Revenue Code to expense costs for a qualified
- 36 film or television production equal to the amount of adjusted
- 37 gross income that would have been computed had an election for
- 38 federal income tax purposes not been made for the year.
- 39 (14) Add or subtract the amount necessary to make the adjusted
- 40 gross income of any taxpayer that treated a loss from the sale or
- 41 exchange of preferred stock in:
- 42 (A) the Federal National Mortgage Association, established

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1 under the Federal National Mortgage Association Charter Act
 2 (12 U.S.C. 1716 et seq.); or
 3 (B) the Federal Home Loan Mortgage Corporation, established
 4 under the Federal Home Loan Mortgage Corporation Act (12
 5 U.S.C. 1451 et seq.);
 6 as an ordinary loss under Section 301 of the Emergency
 7 Economic Stabilization Act of 2008 in the current taxable year or
 8 in an earlier taxable year equal to the amount of adjusted gross
 9 income that would have been computed had the loss not been
 10 treated as an ordinary loss.
 11 (15) Add the amount excluded from gross income under Section
 12 108(a)(1)(e) of the Internal Revenue Code for the discharge of
 13 debt on a qualified principal residence.
 14 *(16) Add the amount necessary to make the adjusted gross income*
 15 *of any taxpayer that placed any qualified leasehold improvement*
 16 *property in service during the taxable year and that was*
 17 *classified as 15-year property under Section 168(e)(3)(E)(iv) of*
 18 *the Internal Revenue Code equal to the amount of adjusted gross*
 19 *income that would have been computed had the classification not*
 20 *applied to the property in the year that it was placed into service.*
 21 *(17) Add the amount necessary to make the adjusted gross income*
 22 *of any taxpayer that placed a motorsports entertainment complex*
 23 *in service during the taxable year and that was classified as*
 24 *7-year property under Section 168(e)(3)(C)(ii) of the Internal*
 25 *Revenue Code equal to the amount of adjusted gross income that*
 26 *would have been computed had the classification not applied to*
 27 *the property in the year that it was placed into service.*
 28 *(18) Add the amount deducted under Section 195 of the Internal*
 29 *Revenue Code for start-up expenditures that exceeds the amount*
 30 *the taxpayer could deduct under Section 195 of the Internal*
 31 *Revenue Code before it was amended by the Small Business Jobs*
 32 *Act of 2010 (P.L. 111-240).*
 33 *(19) Add the amount deducted from gross income under Section*
 34 *198 of the Internal Revenue Code for the expensing of*
 35 *environmental remediation costs.*
 36 *(20) Add the amount deducted from gross income under Section*
 37 *179E of the Internal Revenue Code for any qualified advanced*
 38 *mine safety equipment property.*
 39 *(21) Add the amount necessary to make the adjusted gross income*
 40 *of any taxpayer for which tax was not imposed on the net*
 41 *recognized built-in gain of an S corporation under Section*
 42 *1374(d)(7) of the Internal Revenue Code as amended by the Small*

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1 *Business Jobs Act of 2010 (P.L. 111-240) equal to the amount of*
 2 *adjusted gross income that would have been computed before*
 3 *Section 1374(d)(7) of the Internal Revenue Code as amended by*
 4 *the Small Business Jobs Act of 2010 (P.L. 111-240).*

5 ~~(16)~~ **(22)** *This subdivision does not apply to payments made for*
 6 *services provided to a business that was enrolled and*
 7 *participated in the E-Verify program (as defined in*
 8 *IC 22-5-1.7-3) during the time the taxpayer conducted business*
 9 *in Indiana in the taxable year. For a taxable year beginning after*
 10 *June 30, 2011, add the amount of any trade or business deduction*
 11 *allowed under the Internal Revenue Code for wages,*
 12 *reimbursements, or other payments made for services provided*
 13 *in Indiana by an individual for services as an employee, if the*
 14 *individual was, during the period of service, prohibited from*
 15 *being hired as an employee under 8 U.S.C. 1324a.*

16 **(22)** **(23)** *Add the amount excluded from federal gross income*
 17 *under Section 103 of the Internal Revenue Code for interest*
 18 *received on an obligation of a state other than Indiana, or a*
 19 *political subdivision of such a state, that is acquired by the*
 20 *taxpayer after December 31, 2011.*

21 *(f) This subsection applies only to the extent that an individual paid*
 22 *property taxes in 2004 that were imposed for the March 1, 2002,*
 23 *assessment date or the January 15, 2003, assessment date. The*
 24 *maximum amount of the deduction under subsection (a)(17) is equal to*
 25 *the amount determined under STEP FIVE of the following formula:*

26 *STEP ONE: Determine the amount of property taxes that the*
 27 *taxpayer paid after December 31, 2003, in the taxable year for*
 28 *property taxes imposed for the March 1, 2002, assessment date*
 29 *and the January 15, 2003, assessment date.*

30 *STEP TWO: Determine the amount of property taxes that the*
 31 *taxpayer paid in the taxable year for the March 1, 2003,*
 32 *assessment date and the January 15, 2004, assessment date.*

33 *STEP THREE: Determine the result of the STEP ONE amount*
 34 *divided by the STEP TWO amount.*

35 *STEP FOUR: Multiply the STEP THREE amount by two thousand*
 36 *five hundred dollars (\$2,500).*

37 *STEP FIVE: Determine the sum of the STEP FOUR amount and*
 38 *two thousand five hundred dollars (\$2,500).*

39 SECTION 48. IC 6-3-1-3.7, AS ADDED BY P.L.182-2009(ss),
 40 SECTION 187, IS AMENDED TO READ AS FOLLOWS
 41 [EFFECTIVE UPON PASSAGE]: Sec. 3.7. (a) This section applies
 42 only to an individual who in 2009 paid property taxes that:

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1 (1) were imposed on the individual's principal place of residence
 2 for the March 1, 2007, assessment date or the January 15, 2008,
 3 assessment date;

4 (2) are due after December 31, 2008; and

5 (3) are paid on or before the due date for the property taxes.

6 (b) An individual described in subsection (a) is entitled to a
 7 deduction from adjusted gross income for a taxable year beginning
 8 after December 31, 2008, and before January 1, 2010, in an amount
 9 equal to the amount determined in the following STEPS:

10 STEP ONE: Determine the lesser of:

11 (A) two thousand five hundred dollars (\$2,500); or

12 (B) the total amount of property taxes imposed on the
 13 individual's principal place of residence for the March 1, 2007,
 14 assessment date or the January 15, 2008, assessment date and
 15 paid in 2008 or 2009.

16 STEP TWO: Determine the greater of zero (0) or the result of:

17 (A) the STEP ONE result; minus

18 (B) the total amount of property taxes that:

19 (i) were imposed on the individual's principal place of
 20 residence for the March 1, 2007, assessment date or the
 21 January 15, 2008, assessment date;

22 (ii) were paid in 2008; and

23 (iii) were deducted from adjusted gross income under
 24 section ~~3.5(a)(17)~~ **3.5(a)(15)** of this chapter by the
 25 individual on the individual's state income tax return for a
 26 taxable year beginning before January 1, 2009.

27 (c) The deduction under this section is in addition to any deduction
 28 that an individual is otherwise entitled to claim under section
 29 ~~3.5(a)(17)~~ **3.5(a)(15)** of this chapter. However, an individual may not
 30 deduct under section ~~3.5(a)(17)~~ **3.5(a)(15)** of this chapter any property
 31 taxes deducted under this section.

32 (d) This section expires January 1, 2014.

33 SECTION 49. IC 6-3-2-4, AS AMENDED BY P.L.144-2007,
 34 SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 35 UPON PASSAGE]: Sec. 4. (a) Each taxable year, an individual, or the
 36 individual's surviving spouse, is entitled to an adjusted gross income
 37 tax deduction for the first five thousand dollars (\$5,000) of income,
 38 including retirement or survivor's benefits, received during the taxable
 39 year by the individual, or the individual's surviving spouse, for the
 40 individual's service in an active or reserve component of the armed
 41 forces of the United States, including the army, navy, air force, coast
 42 guard, marine corps, merchant marine, Indiana army national guard, or



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1 Indiana air national guard. However, a person who is less than sixty
 2 (60) years of age on the last day of the person's taxable year, is not, for
 3 that taxable year, entitled to a deduction under this section for
 4 retirement or survivor's benefits.

5 (b) An individual whose qualified military income is subtracted
 6 from the individual's federal adjusted gross income under
 7 ~~IC 6-3-1-3.5(a)(23)~~ **IC 6-3-1-3.5(a)(21)** for Indiana individual income
 8 tax purposes is not, for that taxable year, entitled to a deduction under
 9 this section for the individual's qualified military income.

10 SECTION 50. IC 6-3-2-25, AS ADDED BY P.L.220-2011,
 11 SECTION 139, IS AMENDED TO READ AS FOLLOWS
 12 [EFFECTIVE UPON PASSAGE]: Sec. 25. (a) This section applies only
 13 to an individual who in 2008 paid property taxes that:

- 14 (1) were imposed on the individual's principal place of residence
 15 for the March 1, 2006, assessment date or the January 15, 2007,
 16 assessment date;
 17 (2) are due after December 31, 2007; and
 18 (3) are paid on or before the due date for the property taxes.

19 (b) As used in this section, "adjusted gross income" has the meaning
 20 set forth in IC 6-3-1-3.5.

21 (c) An individual described in subsection (a) is entitled to a
 22 deduction from the individual's adjusted gross income for a taxable
 23 year beginning after December 31, 2007, and before January 1, 2009,
 24 in an amount equal to the amount determined in the following STEPS:

25 STEP ONE: Determine the lesser of:

- 26 (A) two thousand five hundred dollars (\$2,500); or
 27 (B) the total amount of property taxes imposed on the
 28 individual's principal place of residence for the March 1, 2006,
 29 assessment date or the January 15, 2007, assessment date and
 30 paid in 2007 or 2008.

31 STEP TWO: Determine the greater of zero (0) or the result of:

- 32 (A) the STEP ONE result; minus
 33 (B) the total amount of property taxes that:
 34 (i) were imposed on the individual's principal place of
 35 residence for the March 1, 2006, assessment date or the
 36 January 15, 2007, assessment date;
 37 (ii) were paid in 2007; and
 38 (iii) were deducted from the individual's adjusted gross
 39 income under ~~IC 6-3-1-3.5(a)(17)~~ **IC 6-3-1-3.5(a)(15)** by
 40 the individual on the individual's state income tax return for
 41 a taxable year beginning before January 1, 2008.

42 (d) The deduction under this section is in addition to any deduction

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1 that an individual is otherwise entitled to claim under
 2 ~~IC 6-3-1-3.5(a)(17)~~; **IC 6-3-1-3.5(a)(15)**. However, an individual may
 3 not deduct under ~~IC 6-3-1-3.5(a)(17)~~ **IC 6-3-1-3.5(a)(15)** any property
 4 taxes deducted under this section.

5 SECTION 51. IC 6-3-8.1-2, AS ADDED BY P.L.220-2011,
 6 SECTION 140, IS AMENDED TO READ AS FOLLOWS
 7 [EFFECTIVE UPON PASSAGE]: Sec. 2. ~~A taxpayer shall file~~
 8 **Notwithstanding the repeal of IC 6-3-8-5 by P.L.192-2002(ss), the**
 9 **provisions of IC 6-3-8-5 (repealed) apply to the imposition,**
 10 **collection, payment, and administration of the supplemental net**
 11 **income tax imposed under this chapter, including the requirement**
 12 **related to filing the taxpayer's estimated supplemental net income tax**
 13 **return and pay paying the taxpayer's estimated supplemental net**
 14 **income tax liability to the department of state revenue. as provided by**
 15 **law for due dates that occur before January 1, 2003. The taxpayer**
 16 **shall file a final supplemental net income tax return, in the manner**
 17 **prescribed by the department of state revenue, before the fifteenth**
 18 **day of the fourth month following the close of the taxpayer's**
 19 **regular taxable year, determined as if IC 6-3-8 had not been**
 20 **repealed by P.L.192-2002(ss).**

21 SECTION 52. IC 6-3-8.1-3, AS ADDED BY P.L.220-2011,
 22 SECTION 140, IS AMENDED TO READ AS FOLLOWS
 23 [EFFECTIVE UPON PASSAGE]: Sec. 3. ~~Not later than April 15,~~
 24 ~~2003; a taxpayer shall file a final supplemental net income tax return~~
 25 ~~with the department of state revenue on a form and in the manner~~
 26 ~~prescribed by the department of state revenue. At the time of filing the~~
 27 ~~final supplemental net income tax return, a taxpayer shall pay to the~~
 28 ~~department of state revenue an amount equal to the remainder of: (1)~~
 29 ~~the total supplemental net income tax liability incurred by the taxpayer~~
 30 ~~for the part of the taxpayer's taxable year that occurred in calendar year~~
 31 ~~2002; minus (2) the sum of: (A) the total amount of supplemental net~~
 32 ~~income taxes that was previously paid by the taxpayer to the~~
 33 ~~department of state revenue for any quarter of that same part of the~~
 34 ~~taxpayer's taxable year; plus (B) any supplemental net income taxes~~
 35 ~~that were withheld from the taxpayer for that same part of the~~
 36 ~~taxpayer's taxable year. (a) The supplemental net income tax~~
 37 ~~imposed under IC 6-3-8 (repealed) for that taxable year is equal to~~
 38 ~~the result determined under STEP TWO of the following formula:~~
 39 **STEP ONE: Determine the product of the taxpayer's net**
 40 **income for the taxpayer's regular taxable year multiplied by**
 41 **a tax rate equal to four and five-tenths percent (4.5%).**
 42 **STEP TWO: Multiply the STEP ONE result by a fraction, the**



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1 numerator of which is the number of days in the taxpayer's
2 taxable year that occurred before January 1, 2003, and the
3 denominator of which is the total number of days in the
4 taxable year.

5 (b) The department of state revenue may prescribe forms and
6 procedures for reconciling:

7 (1) the returns and tax due under P.L.192-2002(ss), SECTION
8 197, before the enactment of P.L.269-2003, SECTION 13; and

9 (2) the returns and tax due under P.L.192-2002(ss), SECTION
10 197, as amended by P.L.269-2003, SECTION 13.

11 The procedures may include procedures for granting an automatic
12 extension for the filing of some or all returns that were due before
13 April 16, 2003, under P.L.192-2002(ss), SECTION 197, before the
14 enactment of P.L.269-2003, SECTION 13.

15 SECTION 53. IC 6-3.1-20-4 IS AMENDED TO READ AS
16 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4. (a) Except as
17 provided in subsection (b), an individual is entitled to a credit under
18 this chapter if: ~~the:~~

19 (1) ~~the~~ individual's earned income for the taxable year is less than
20 eighteen thousand six hundred (\$18,600); and

21 (2) the individual pays property taxes in the taxable year on a
22 homestead that:

23 (A) the individual:

24 (i) owns; or

25 (ii) is buying under a contract that requires the individual to
26 pay property taxes on the homestead, if the contract or a
27 memorandum of the contract is recorded in the county
28 recorder's office; and

29 (B) is located in a county having a population of more than
30 four hundred thousand (400,000) but less than seven hundred
31 thousand (700,000).

32 (b) An individual is not entitled to a credit under this chapter for a
33 taxable year for property taxes paid on the individual's homestead if the
34 individual claims the deduction under ~~IC 6-3-1-3.5(a)(17)~~
35 **IC 6-3-1-3.5(a)(15)** for the homestead for that same taxable year.

36 SECTION 54. IC 6-3.5-1.1-24, AS AMENDED BY P.L.77-2011,
37 SECTION 10, AND AS AMENDED BY P.L.172-2011, SECTION 73,
38 IS CORRECTED AND AMENDED TO READ AS FOLLOWS
39 [EFFECTIVE UPON PASSAGE]: Sec. 24. (a) In a county in which the
40 county adjusted gross income tax is in effect, the county council may
41 ~~before August 1 of a year,~~ adopt an ordinance to impose or increase (as
42 applicable) a tax rate under this section.

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1 (b) In a county in which neither the county adjusted gross income
2 tax nor the county option income tax is in effect, the county council
3 may *before August 1 of a year*, adopt an ordinance to impose a tax rate
4 under this section.

5 (c) *An ordinance adopted under this section takes effect October 1*
6 *of the year in which the ordinance is adopted.* If a county council
7 adopts an ordinance to impose or increase a tax rate under this section,
8 the county auditor shall send a certified copy of the ordinance to the
9 department and the department of local government finance by
10 certified mail.

11 (d) A tax rate under this section is in addition to any other tax rates
12 imposed under this chapter and does not affect the purposes for which
13 other tax revenue under this chapter may be used.

14 (e) The following apply only in the year in which a county council
15 first imposes a tax rate under this section:

16 (1) The county council shall, in the ordinance imposing the tax
17 rate, specify the tax rate for each of the following two (2) years.

18 (2) The tax rate that must be imposed in the county *from October*
19 *1 of the year in which the tax rate is imposed through September*
20 *30 of the following year in the first year* is equal to the result of:

21 (A) the tax rate determined for the county under
22 IC 6-3.5-1.5-1(a) in the year in which the tax rate is increased;
23 multiplied by

24 (B) two (2).

25 (3) The tax rate that must be imposed in the county *from October*
26 *1 of the following year through September 30 of the year after the*
27 *following year in the second year* is the tax rate determined for
28 the county under IC 6-3.5-1.5-1(b). The tax rate under this
29 subdivision continues in effect in later years unless the tax rate is
30 increased under this section.

31 (4) The levy limitations in ~~IC 6-1.1-18.5-3(g)~~, ~~IC 6-1.1-18.5-3(h)~~,
32 ~~IC 6-1.1-18.5-3(b)~~, ~~IC 6-1.1-18.5-3(c)~~, IC 12-19-7-4(b) (before its
33 repeal), IC 12-19-7.5-6(b) (before its repeal), and IC 12-29-2-2(c)
34 apply to property taxes first due and payable in the ensuing
35 calendar year and to property taxes first due and payable in the
36 calendar year after the ensuing calendar year.

37 (f) The following apply only in a year in which a county council
38 increases a tax rate under this section:

39 (1) The county council shall, in the ordinance increasing the tax
40 rate, specify the tax rate for the following year.

41 (2) The tax rate that must be imposed in the county *from October*
42 *1 of the year in which the tax rate is increased through September*

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- 1 ~~30 of the following year~~ is equal to the result of:
- 2 (A) the tax rate determined for the county under
- 3 IC 6-3.5-1.5-1(a) in that year; plus
- 4 (B) the tax rate currently in effect in the county under this
- 5 section.
- 6 The tax rate under this subdivision continues in effect in later
- 7 years unless the tax rate is increased under this section.
- 8 (3) The levy limitations in ~~IC 6-1.1-18.5-3(g); IC 6-1.1-18.5-3(h);~~
- 9 ~~IC 6-1.1-18.5-3(b), IC 6-1.1-18.5-3(c),~~ IC 12-19-7-4(b) (before its
- 10 repeal), IC 12-19-7.5-6(b) (before its repeal), and IC 12-29-2-2(c)
- 11 apply to property taxes first due and payable in the ensuing
- 12 calendar year.
- 13 (g) The department of local government finance shall determine the
- 14 following property tax replacement distribution amounts:
- 15 STEP ONE: Determine the sum of the amounts determined under
- 16 STEP ONE through STEP FOUR of IC 6-3.5-1.5-1(a) for the
- 17 county in the preceding year.
- 18 STEP TWO: For distribution to each civil taxing unit that in the
- 19 year had a maximum permissible property tax levy limited under
- 20 ~~IC 6-1.1-18.5-3(g); IC 6-1.1-18.5-3(b),~~ determine the result of:
- 21 (1) the quotient of:
- 22 (A) the part of the amount determined under STEP ONE of
- 23 IC 6-3.5-1.5-1(a) in the preceding year that was attributable
- 24 to the civil taxing unit; divided by
- 25 (B) the STEP ONE amount; multiplied by
- 26 (2) the tax revenue received by the county treasurer under this
- 27 section.
- 28 STEP THREE: For distributions in 2009 and thereafter, the result
- 29 of this STEP is zero (0). For distribution to the county for deposit
- 30 in the county family and children's fund before 2009, determine
- 31 the result of:
- 32 (1) the quotient of:
- 33 (A) the amount determined under STEP TWO of
- 34 IC 6-3.5-1.5-1(a) in the preceding year; divided by
- 35 (B) the STEP ONE amount; multiplied by
- 36 (2) the tax revenue received by the county treasurer under this
- 37 section.
- 38 STEP FOUR: For distributions in 2009 and thereafter, the result
- 39 of this STEP is zero (0). For distribution to the county for deposit
- 40 in the county children's psychiatric residential treatment services
- 41 fund before 2009, determine the result of:
- 42 (1) the quotient of:

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- 1 (A) the amount determined under STEP THREE of
 2 IC 6-3.5-1.5-1(a) in the preceding year; divided by
 3 (B) the STEP ONE amount; multiplied by
 4 (2) the tax revenue received by the county treasurer under this
 5 section.
- 6 STEP FIVE: For distribution to the county for community mental
 7 health center purposes, determine the result of:
 8 (1) the quotient of:
 9 (A) the amount determined under STEP FOUR of
 10 IC 6-3.5-1.5-1(a) in the preceding year; divided by
 11 (B) the STEP ONE amount; multiplied by
 12 (2) the tax revenue received by the county treasurer under this
 13 section.
- 14 Except as provided in subsection (m), the county treasurer shall
 15 distribute the portion of the certified distribution that is attributable to
 16 a tax rate under this section as specified in this section. The county
 17 treasurer shall make the distributions under this subsection at the same
 18 time that distributions are made to civil taxing units under section 15
 19 of this chapter.
- 20 (h) Notwithstanding sections 3.1 and 4 of this chapter, a county
 21 council may not decrease or rescind a tax rate imposed under this
 22 chapter.
- 23 (i) The tax rate under this section shall not be considered for
 24 purposes of computing:
 25 (1) the maximum income tax rate that may be imposed in a county
 26 under section 2 of this chapter or any other provision of this
 27 chapter; or
 28 (2) the maximum permissible property tax levy under *STEP*
 29 *EIGHT of IC 6-1.1-18.5-3(b)*. *IC 6-1.1-18.5-3*.
- 30 (j) The tax levy under this section shall not be considered for
 31 purposes of the credit under IC 6-1.1-20.6.
- 32 (k) A distribution under this section shall be treated as a part of the
 33 receiving civil taxing unit's property tax levy for that year for purposes
 34 of fixing the budget of the civil taxing unit and for determining the
 35 distribution of taxes that are distributed on the basis of property tax
 36 levies.
- 37 (l) If a county council imposes a tax rate under this section, the
 38 portion of county adjusted gross income tax revenue dedicated to
 39 property tax replacement credits under section 11 of this chapter may
 40 not be decreased.
- 41 (m) In the year following the year in a which a county first imposes
 42 a tax rate under this section, one-half (1/2) of the tax revenue that is

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1 attributable to the tax rate under this section must be deposited in the
2 county stabilization fund established under subsection (o).

3 (n) A pledge of county adjusted gross income taxes does not apply
4 to revenue attributable to a tax rate under this section.

5 (o) A county stabilization fund is established in each county that
6 imposes a tax rate under this section. The county stabilization fund
7 shall be administered by the county auditor. If for a year the certified
8 distributions attributable to a tax rate under this section exceed the
9 amount calculated under STEP ONE through STEP FOUR of
10 IC 6-3.5-1.5-1(a) that is used by the department of local government
11 finance and the department of state revenue to determine the tax rate
12 under this section, the excess shall be deposited in the county
13 stabilization fund. Money shall be distributed from the county
14 stabilization fund in a year by the county auditor to political
15 subdivisions entitled to a distribution of tax revenue attributable to the
16 tax rate under this section if:

17 (1) the certified distributions attributable to a tax rate under this
18 section are less than the amount calculated under STEP ONE
19 through STEP FOUR of IC 6-3.5-1.5-1(a) that is used by the
20 department of local government finance and the department of
21 state revenue to determine the tax rate under this section for a
22 year; or

23 (2) the certified distributions attributable to a tax rate under this
24 section in a year are less than the certified distributions
25 attributable to a tax rate under this section in the preceding year.

26 However, subdivision (2) does not apply to the year following the first
27 year in which certified distributions of revenue attributable to the tax
28 rate under this section are distributed to the county.

29 (p) Notwithstanding any other provision, a tax rate imposed under
30 this section may not exceed one percent (1%).

31 (q) A county council must each year hold at least one (1) public
32 meeting at which the county council discusses whether the tax rate
33 under this section should be imposed or increased.

34 (r) The department of local government finance and the department
35 of state revenue may take any actions necessary to carry out the
36 purposes of this section.

37 SECTION 55. IC 6-3.5-9-14, AS ADDED BY P.L.173-2011,
38 SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
39 UPON PASSAGE]: Sec. 14. A qualified unit shall enter into an
40 agreement with an applicant that is awarded a **credit hiring incentive**
41 under this chapter. The agreement must include all of the following:

42 (1) A detailed description of the project that is the subject of the

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- 1 agreement.
- 2 (2) The duration of the hiring incentive and the first calendar year
- 3 for which the hiring incentive may be claimed.
- 4 (3) The hiring incentive amount that will be allowed for each
- 5 calendar year.
- 6 (4) A requirement that the taxpayer shall maintain operations at
- 7 the project location for at least two (2) years following the last
- 8 calendar year in which the applicant claims the hiring incentive.
- 9 (5) A statement that a taxpayer is subject to an assessment under
- 10 section 16 of this chapter for noncompliance with the agreement.
- 11 (6) A specific method for determining the number of new
- 12 employees employed during a calendar year who are performing
- 13 jobs not previously performed by an employee.
- 14 (7) A requirement that the taxpayer shall annually report to the
- 15 qualified unit, subject to the protections under IC 5-14-3-4(a)(5)
- 16 and IC 5-14-3-4(a)(6):
- 17 (A) the number of new employees who are performing jobs not
- 18 previously performed by an employee;
- 19 (B) the new income tax revenue withheld in connection with
- 20 the new employees; and
- 21 (C) any other information the qualified unit needs to perform
- 22 the qualified unit's duties under this chapter.
- 23 (8) A requirement that the qualified unit is authorized to verify
- 24 with the appropriate state agencies, including the IEDC, the
- 25 amounts reported under subdivision (7), and after doing so shall
- 26 issue a certificate to the taxpayer stating that the amounts have
- 27 been verified.
- 28 (9) Any other performance conditions that the qualified unit
- 29 determines are appropriate.
- 30 SECTION 56. IC 6-5.5-1-2, AS AMENDED BY P.L.229-2011,
- 31 SECTION 94, AS AMENDED BY P.L.172-2011, SECTION 80, AND
- 32 AS AMENDED BY P.L.171-2011, SECTION 7, IS CORRECTED
- 33 AND AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON
- 34 PASSAGE]: Sec. 2. (a) Except as provided in subsections (b) through
- 35 (d), "adjusted gross income" means taxable income as defined in
- 36 Section 63 of the Internal Revenue Code, adjusted as follows:
- 37 (1) Add the following amounts:
- 38 (A) An amount equal to a deduction allowed or allowable
- 39 under Section 166, Section 585, or Section 593 of the Internal
- 40 Revenue Code.
- 41 (B) An amount equal to a deduction allowed or allowable
- 42 under Section 170 of the Internal Revenue Code.

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- 1 (C) An amount equal to a deduction or deductions allowed or
- 2 allowable under Section 63 of the Internal Revenue Code for
- 3 taxes based on or measured by income and levied at the state
- 4 level by a state of the United States or levied at the local level
- 5 by any subdivision of a state of the United States.
- 6 (D) The amount of interest excluded under Section 103 of the
- 7 Internal Revenue Code or under any other federal law, minus
- 8 the associated expenses disallowed in the computation of
- 9 taxable income under Section 265 of the Internal Revenue
- 10 Code.
- 11 (E) An amount equal to the deduction allowed under Section
- 12 172 or 1212 of the Internal Revenue Code for net operating
- 13 losses or net capital losses.
- 14 (F) For a taxpayer that is not a large bank (as defined in
- 15 Section 585(c)(2) of the Internal Revenue Code), an amount
- 16 equal to the recovery of a debt, or part of a debt, that becomes
- 17 worthless to the extent a deduction was allowed from gross
- 18 income in a prior taxable year under Section 166(a) of the
- 19 Internal Revenue Code.
- 20 (G) Add the amount necessary to make the adjusted gross
- 21 income of any taxpayer that owns property for which bonus
- 22 depreciation was allowed in the current taxable year or in an
- 23 earlier taxable year equal to the amount of adjusted gross
- 24 income that would have been computed had an election not
- 25 been made under Section 168(k) of the Internal Revenue Code
- 26 to apply bonus depreciation to the property in the year that it
- 27 was placed in service.
- 28 (H) Add the amount necessary to make the adjusted gross
- 29 income of any taxpayer that placed Section 179 property (as
- 30 defined in Section 179 of the Internal Revenue Code) in
- 31 service in the current taxable year or in an earlier taxable year
- 32 equal to the amount of adjusted gross income that would have
- 33 been computed had an election for federal income tax
- 34 purposes not been made for the year in which the property was
- 35 placed in service to take deductions under Section 179 of the
- 36 Internal Revenue Code in a total amount exceeding
- 37 twenty-five thousand dollars (\$25,000).
- 38 (I) Add an amount equal to the amount that a taxpayer claimed
- 39 as a deduction for domestic production activities for the
- 40 taxable year under Section 199 of the Internal Revenue Code
- 41 for federal income tax purposes.
- 42 (J) Add an amount equal to any income not included in gross

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1 income as a result of the deferral of income arising from
 2 business indebtedness discharged in connection with the
 3 reacquisition after December 31, 2008, and before January 1,
 4 2011, of an applicable debt instrument, as provided in Section
 5 108(i) of the Internal Revenue Code. Subtract from the
 6 adjusted gross income of any taxpayer that added an amount
 7 to adjusted gross income in a previous year the amount
 8 necessary to offset the amount included in federal gross
 9 income as a result of the deferral of income arising from
 10 business indebtedness discharged in connection with the
 11 reacquisition after December 31, 2008, and before January 1,
 12 2011, of an applicable debt instrument, as provided in Section
 13 108(i) of the Internal Revenue Code.

14 (K) Add the amount necessary to make the adjusted gross
 15 income of any taxpayer that placed qualified restaurant
 16 property in service during the taxable year and that was
 17 classified as 15-year property under Section 168(e)(3)(E)(v) of
 18 the Internal Revenue Code equal to the amount of adjusted
 19 gross income that would have been computed had the
 20 classification not applied to the property in the year that it was
 21 placed in service.

22 (L) Add the amount necessary to make the adjusted gross
 23 income of any taxpayer that placed qualified retail
 24 improvement property in service during the taxable year and
 25 that was classified as 15-year property under Section
 26 168(e)(3)(E)(ix) of the Internal Revenue Code equal to the
 27 amount of adjusted gross income that would have been
 28 computed had the classification not applied to the property in
 29 the year that it was placed in service.

30 (M) Add or subtract the amount necessary to make the
 31 adjusted gross income of any taxpayer that claimed the special
 32 allowance for qualified disaster assistance property under
 33 Section 168(n) of the Internal Revenue Code equal to the
 34 amount of adjusted gross income that would have been
 35 computed had the special allowance not been claimed for the
 36 property.

37 (N) Add or subtract the amount necessary to make the adjusted
 38 gross income of any taxpayer that made an election under
 39 Section 179C of the Internal Revenue Code to expense costs
 40 for qualified refinery property equal to the amount of adjusted
 41 gross income that would have been computed had an election
 42 for federal income tax purposes not been made for the year.

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- 1 (O) Add or subtract the amount necessary to make the adjusted
 2 gross income of any taxpayer that made an election under
 3 Section 181 of the Internal Revenue Code to expense costs for
 4 a qualified film or television production equal to the amount
 5 of adjusted gross income that would have been computed had
 6 an election for federal income tax purposes not been made for
 7 the year.
- 8 (P) Add or subtract the amount necessary to make the adjusted
 9 gross income of any taxpayer that treated a loss from the sale
 10 or exchange of preferred stock in:
- 11 (i) the Federal National Mortgage Association, established
 12 under the Federal National Mortgage Association Charter
 13 Act (12 U.S.C. 1716 et seq.); or
- 14 (ii) the Federal Home Loan Mortgage Corporation,
 15 established under the Federal Home Loan Mortgage
 16 Corporation Act (12 U.S.C. 1451 et seq.);
- 17 as an ordinary loss under Section 301 of the Emergency
 18 Economic Stabilization Act of 2008 in the current taxable year
 19 or in an earlier taxable year equal to the amount of adjusted
 20 gross income that would have been computed had the loss not
 21 been treated as an ordinary loss.
- 22 (Q) Add an amount equal to any exempt insurance income
 23 under Section 953(e) of the Internal Revenue Code for active
 24 financing income under Subpart F, Subtitle A, Chapter 1,
 25 Subchapter N of the Internal Revenue Code.
- 26 *(R) Add the amount necessary to make the adjusted gross*
 27 *income of any taxpayer that placed any qualified leasehold*
 28 *improvement property in service during the taxable year and*
 29 *that was classified as 15-year property under Section*
 30 *168(e)(3)(E)(iv) of the Internal Revenue Code equal to the*
 31 *amount of adjusted gross income that would have been*
 32 *computed had the classification not applied to the property in*
 33 *the year that it was placed into service.*
- 34 *(S) Add the amount deducted from gross income under Section*
 35 *198 of the Internal Revenue Code for the expensing of*
 36 *environmental remediation costs.*
- 37 *(T) Add the amount deducted from gross income under Section*
 38 *179E of the Internal Revenue Code for any qualified advanced*
 39 *mine safety equipment property.*
- 40 *(U) Add the amount necessary to make the adjusted gross*
 41 *income of any taxpayer that placed a motorsports*
 42 *entertainment complex in service during the taxable year and*

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1 that was classified as 7-year property under Section
2 168(e)(3)(C)(ii) of the Internal Revenue Code equal to the
3 amount of adjusted gross income that would have been
4 computed had the classification not applied to the property in
5 the year that it was placed into service.

6 (V) Add the amount deducted under Section 195 of the
7 Internal Revenue Code for start-up expenditures that exceeds
8 the amount the taxpayer could deduct under Section 195 of the
9 Internal Revenue Code before it was amended by the Small
10 Business Jobs Act of 2010 (P.L. 111-240).

11 (W) Add the amount necessary to make the adjusted gross
12 income of any taxpayer for which tax was not imposed on the
13 net recognized built-in gain of an S corporation under Section
14 1374(d)(7) of the Internal Revenue Code as amended by the
15 Small Business Jobs Act of 2010 (P.L. 111-240) equal to the
16 amount of adjusted gross income that would have been
17 computed before Section 1374(d)(7) of the Internal Revenue
18 Code as amended by the Small Business Jobs Act of 2010 (P.L.
19 111-240).

20 (2) Subtract the following amounts:

21 (A) Income that the United States Constitution or any statute
22 of the United States prohibits from being used to measure the
23 tax imposed by this chapter.

24 (B) Income that is derived from sources outside the United
25 States, as defined by the Internal Revenue Code.

26 (C) An amount equal to a debt or part of a debt that becomes
27 worthless, as permitted under Section 166(a) of the Internal
28 Revenue Code.

29 (D) An amount equal to any bad debt reserves that are
30 included in federal income because of accounting method
31 changes required by Section 585(c)(3)(A) or Section 593 of
32 the Internal Revenue Code.

33 (E) The amount necessary to make the adjusted gross income
34 of any taxpayer that owns property for which bonus
35 depreciation was allowed in the current taxable year or in an
36 earlier taxable year equal to the amount of adjusted gross
37 income that would have been computed had an election not
38 been made under Section 168(k) of the Internal Revenue Code
39 to apply bonus depreciation.

40 (F) The amount necessary to make the adjusted gross income
41 of any taxpayer that placed Section 179 property (as defined
42 in Section 179 of the Internal Revenue Code) in service in the

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1 current taxable year or in an earlier taxable year equal to the
 2 amount of adjusted gross income that would have been
 3 computed had an election for federal income tax purposes not
 4 been made for the year in which the property was placed in
 5 service to take deductions under Section 179 of the Internal
 6 Revenue Code in a total amount exceeding twenty-five
 7 thousand dollars (\$25,000).

8 (G) Income that is:

9 (i) exempt from taxation under IC 6-3-2-21.7; and

10 (ii) included in the taxpayer's taxable income under the
 11 Internal Revenue Code.

12 *(H) This clause does not apply to payments made for services
 13 provided to a business that was enrolled and participated in
 14 the E-Verify program (as defined in IC 22-5-1.7-3) during the
 15 time the taxpayer conducted business in Indiana in the taxable
 16 year. For a taxable year beginning after June 30, 2011, add
 17 the amount of any trade or business deduction allowed under
 18 the Internal Revenue Code for wages, reimbursements, or
 19 other payments made for services provided in Indiana by an
 20 individual for services as an employee, if the individual was,
 21 during the period of service, prohibited from being hired as an
 22 employee under 8 U.S.C. 1324a.*

23 (b) In the case of a credit union, "adjusted gross income" for a
 24 taxable year means the total transfers to undivided earnings minus
 25 dividends for that taxable year after statutory reserves are set aside
 26 under IC 28-7-1-24.

27 (c) In the case of an investment company, "adjusted gross income"
 28 means the company's federal taxable income *plus the amount excluded
 29 from federal gross income under Section 103 of the Internal Revenue
 30 Code for interest received on an obligation of a state other than
 31 Indiana, or a political subdivision of such a state, that is acquired by
 32 the taxpayer after December 31, 2011*, multiplied by the quotient of:

33 (1) the aggregate of the gross payments collected by the company
 34 during the taxable year from old and new business upon
 35 investment contracts issued by the company and held by residents
 36 of Indiana; divided by

37 (2) the total amount of gross payments collected during the
 38 taxable year by the company from the business upon investment
 39 contracts issued by the company and held by persons residing
 40 within Indiana and elsewhere.

41 (d) As used in subsection (c), "investment company" means a
 42 person, copartnership, association, limited liability company, or

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1 corporation, whether domestic or foreign, that:

2 (1) is registered under the Investment Company Act of 1940 (15
3 U.S.C. 80a-1 et seq.); and

4 (2) solicits or receives a payment to be made to itself and issues
5 in exchange for the payment:

6 (A) a so-called bond;

7 (B) a share;

8 (C) a coupon;

9 (D) a certificate of membership;

10 (E) an agreement;

11 (F) a pretended agreement; or

12 (G) other evidences of obligation;

13 entitling the holder to anything of value at some future date, if the
14 gross payments received by the company during the taxable year
15 on outstanding investment contracts, plus interest and dividends
16 earned on those contracts (by prorating the interest and dividends
17 earned on investment contracts by the same proportion that
18 certificate reserves (as defined by the Investment Company Act
19 of 1940) is to the company's total assets) is at least fifty percent
20 (50%) of the company's gross payments upon investment
21 contracts plus gross income from all other sources except
22 dividends from subsidiaries for the taxable year. The term
23 "investment contract" means an instrument listed in clauses (A)
24 through (G).

25 SECTION 57. IC 6-8.1-8-2, AS AMENDED BY P.L.172-2011,
26 SECTION 87, AND AS AMENDED BY P.L.99-2011, SECTION 1, IS
27 CORRECTED AND AMENDED TO READ AS FOLLOWS
28 [EFFECTIVE UPON PASSAGE]: Sec. 2. (a) Except as provided in
29 IC 6-8.1-5-3 *and section 16 of this chapter*, the department must issue
30 a demand notice for the payment of a tax and any interest or penalties
31 accrued on the tax, if a person files a tax return without including full
32 payment of the tax or if the department, after ruling on a protest, finds
33 that a person owes the tax before the department issues a tax warrant.
34 The demand notice must state the following:

35 (1) That the person has ten (10) days from the date the department
36 mails the notice to either pay the amount demanded or show
37 reasonable cause for not paying the amount demanded.

38 (2) The statutory authority of the department for the issuance of
39 a tax warrant.

40 (3) The earliest date on which a tax warrant may be filed and
41 recorded.

42 (4) The statutory authority for the department to levy against a

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1 person's property that is held by a financial institution.
 2 (5) The remedies available to the taxpayer to prevent the filing
 3 and recording of the judgment.
 4 If the department files a tax warrant in more than one (1) county, the
 5 department is not required to issue more than one (1) demand notice.
 6 (b) If the person does not pay the amount demanded or show
 7 reasonable cause for not paying the amount demanded within the ten
 8 (10) day period, the department may issue a tax warrant for the amount
 9 of the tax, interest, penalties, collection fee, sheriff's costs, clerk's costs,
 10 and fees established under section 4(b) of this chapter when applicable.
 11 When the department issues a tax warrant, a collection fee of ten
 12 percent (10%) of the unpaid tax is added to the total amount due.
 13 (c) When the department issues a tax warrant, it may not file the
 14 warrant with the circuit court clerk of any county in which the person
 15 owns property until at least twenty (20) days after the date the demand
 16 notice was mailed to the taxpayer. The department may also send the
 17 warrant to the sheriff of any county in which the person owns property
 18 and direct the sheriff to file the warrant with the circuit court clerk:
 19 (1) at least twenty (20) days after the date the demand notice was
 20 mailed to the taxpayer; and
 21 (2) no later than five (5) days after the date the department issues
 22 the warrant.
 23 (d) When the circuit court clerk receives a tax warrant from the
 24 department or the sheriff, the clerk shall record the warrant by making
 25 an entry in the judgment debtor's column of the judgment record,
 26 listing the following:
 27 (1) The name of the person owing the tax.
 28 (2) The amount of the tax, interest, penalties, collection fee,
 29 sheriff's costs, clerk's costs, and fees established under section
 30 4(b) of this chapter when applicable.
 31 (3) The date the warrant was filed with the clerk.
 32 (e) When the entry is made, the total amount of the tax warrant
 33 becomes a judgment against the person owing the tax. The judgment
 34 creates a lien in favor of the state that attaches to all the person's
 35 interest in any:
 36 (1) chose in action in the county; and
 37 (2) real or personal property in the county;
 38 excepting only negotiable instruments not yet due.
 39 (f) A judgment obtained under this section is valid for ten (10) years
 40 from the date the judgment is filed. The department may renew the
 41 judgment for additional ten (10) year periods by filing an alias tax
 42 warrant with the circuit court clerk of the county in which the judgment

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- 1 previously existed.
- 2 (g) A judgment arising from a tax warrant in a county *may* shall be
3 released by the department:
- 4 (1) after the judgment, including all accrued interest to the date of
5 payment, has been fully satisfied; or
6 (2) if the department determines that the tax assessment or the
7 issuance of the tax warrant was in error.
- 8 (h) If the department determines that the filing of a tax warrant was
9 in error, the department shall mail a release of the judgment to the
10 taxpayer and the circuit court clerk of each county where the warrant
11 was filed. *The circuit court clerk of each county where the warrant was*
12 *filed shall expunge the warrant from the judgment debtor's column of*
13 *the judgment record.* The department shall mail the release *and the*
14 *order for the warrant to be expunged* as soon as possible but no later
15 than seven (7) days after:
- 16 (1) the determination by the department that the filing of the
17 warrant was in error; and
18 (2) the receipt of information by the department that the judgment
19 has been recorded under subsection (d).
- 20 (i) If the department determines that a judgment described in
21 subsection (h) is obstructing a lawful transaction, the department shall
22 *immediately upon making the determination* mail:
- 23 (1) a release of the judgment to the taxpayer; and
24 (2) *an order requiring* the circuit court clerk of each county
25 where the judgment was filed *immediately upon making the*
26 *determination: to expunge the warrant.*
- 27 (j) A release issued under subsection (h) or (i) must state that the
28 filing of the tax warrant was in error. Upon the request of the taxpayer,
29 the department shall mail a copy of a release *and the order for the*
30 *warrant to be expunged* issued under subsection (h) or (i) to each major
31 credit reporting company located in each county where the judgment
32 was filed.
- 33 (k) The commissioner shall notify each state agency or officer
34 supplied with a tax warrant list of the issuance of a release under
35 subsection (h) or (i).
- 36 (l) If the sheriff collects the full amount of a tax warrant, the sheriff
37 shall disburse the money collected in the manner provided in section
38 3(c) of this chapter. If a judgment has been partially or fully satisfied
39 by a person's surety, the surety becomes subrogated to the department's
40 rights under the judgment. If a sheriff releases a judgment:
- 41 (1) before the judgment is fully satisfied;
42 (2) before the sheriff has properly disbursed the amount collected;

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1 or

2 (3) after the sheriff has returned the tax warrant to the department;
3 the sheriff commits a Class B misdemeanor and is personally liable for
4 the part of the judgment not remitted to the department.

5 (m) *A lien on real property described in subsection (e)(2) is void if*
6 *both of the following occur:*

7 (1) *The person owing the tax provides written notice to the*
8 *department to file an action to foreclose the lien.*

9 (2) *The department fails to file an action to foreclose the lien not*
10 *later than one hundred eighty (180) days after receiving the*
11 *notice.*

12 (n) *A person who gives notice under subsection (m) by registered or*
13 *certified mail to the department may file an affidavit of service of the*
14 *notice to file an action to foreclose the lien with the circuit court clerk*
15 *in the county in which the property is located. The affidavit must state*
16 *the following:*

17 (1) *The facts of the notice.*

18 (2) *That more than one hundred eighty (180) days have passed*
19 *since the notice was received by the department.*

20 (3) *That no action for foreclosure of the lien is pending.*

21 (4) *That no unsatisfied judgment has been rendered on the lien.*

22 (o) *Upon receipt of the affidavit described in subsection (n), the*
23 *circuit court clerk shall make an entry showing the release of the*
24 *judgment lien in the judgment records for tax warrants.*

25 SECTION 58. IC 6-9-2-0.3, AS ADDED BY P.L.220-2011,
26 SECTION 164, IS REPEALED [EFFECTIVE UPON PASSAGE]. ~~Sec.~~
27 ~~0.3: Actions taken before May 6, 2005, that would have been valid~~
28 ~~under section 10 of this chapter, as added by P.L.168-2005, are~~
29 ~~legalized and validated.~~

30 SECTION 59. IC 6-9-7-7, AS AMENDED BY P.L.172-2011,
31 SECTION 100, AND AS AMENDED BY P.L.229-2011, SECTION
32 96, IS CORRECTED AND AMENDED TO READ AS FOLLOWS
33 [EFFECTIVE UPON PASSAGE]: Sec. 7. (a) The county treasurer shall
34 establish an innkeeper's tax fund. The treasurer shall deposit in that
35 fund all money received under section 6 of this chapter that is
36 attributable to an innkeeper's tax rate that is not more than five percent
37 (5%).

38 (b) Money in the innkeeper's tax fund shall be distributed as
39 follows:

40 (1) Thirty percent (30%) shall be distributed *as follows:*

41 (A) *Before July 1, 2015, and after June 30, 2017, to the*
42 *department of natural resources for the development of*

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1 projects in the state park on the county's largest river,
2 including its tributaries.

3 *(B) For the period July 1, 2015, through June 30, 2017, to the*
4 *treasurer of state for deposit in the state general fund.*

5 (2) Forty percent (40%) shall be distributed to the commission to
6 carry out its purposes, including making any distributions or
7 payments to the Lafayette - West Lafayette Convention and
8 Visitors Bureau, Inc.

9 (3) Ten percent (10%) shall be distributed to a community
10 development corporation that serves a metropolitan area in the
11 county that includes:

12 (A) a city having a population of more than ~~fifty-five~~
13 ~~sixty-five~~ thousand (~~55,000~~) **(65,000)** but less than ~~fifty-nine~~
14 ~~seventy~~ thousand (~~59,000~~); **(70,000)**; and

15 (B) a city having a population of more than ~~twenty-eight~~
16 ~~twenty-nine~~ thousand ~~seven five~~ hundred (~~28,700~~) **(29,500)**
17 but less than twenty-nine thousand (~~29,000~~); **six hundred**
18 **(29,600)**;

19 for the community development corporation's use in tourism,
20 recreation, and economic development activities.

21 (4) Ten percent (10%) shall be distributed to Historic
22 Prophetstown to be used by Historic Prophetstown for carrying
23 out its purposes.

24 (5) Ten percent (10%) shall be distributed to the Wabash River
25 Enhancement Corporation to assist the Wabash River
26 Enhancement Corporation in carrying out its purposes.

27 (c) An advisory commission consisting of the following members is
28 established:

29 (1) The director of the department of natural resources or the
30 director's designee.

31 (2) The public finance director or the public finance director's
32 designee.

33 (3) A member appointed by the Native American Indian affairs
34 commission.

35 (4) A member appointed by Historic Prophetstown.

36 (5) A member appointed by the community development
37 corporation described in subsection (b)(3).

38 (6) A member appointed by the Wabash River Enhancement
39 Corporation.

40 (7) A member appointed by the commission.

41 (8) A member appointed by the county fiscal body.

42 (9) A member appointed by the town board of the town of

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- 1 Battleground.
- 2 (10) A member appointed by the mayor of the city of Lafayette.
- 3 (11) A member appointed by the mayor of the city of West
- 4 Lafayette.
- 5 (d) The following apply to the advisory commission:
- 6 (1) The governor shall appoint a member of the advisory
- 7 commission as chairman of the advisory commission.
- 8 (2) Six (6) members of the advisory commission constitute a
- 9 quorum. The affirmative votes of at least six (6) advisory
- 10 commission members are necessary for the advisory commission
- 11 to take official action other than to adjourn or to meet to hear
- 12 reports or testimony.
- 13 (3) The advisory commission shall make recommendations
- 14 concerning the use of any proceeds of bonds issued to finance the
- 15 development of Prophetstown State Park.
- 16 (4) Members of the advisory commission who are state
- 17 employees:
- 18 (A) are not entitled to any salary per diem; and
- 19 (B) are entitled to reimbursement for traveling expenses as
- 20 provided under IC 4-13-1-4 and to reimbursement for other
- 21 expenses actually incurred in connection with the member's
- 22 duties as provided in the state policies and procedures
- 23 established by the Indiana department of administration and
- 24 approved by the budget agency.
- 25 (e) The Indiana finance authority, in its capacity as the recreational
- 26 development commission, may issue bonds for the development of
- 27 Prophetstown State Park under IC 14-14-1.
- 28 SECTION 60. IC 6-9-10.5-11, AS ADDED BY P.L.172-2011,
- 29 SECTION 107, IS AMENDED TO READ AS FOLLOWS
- 30 [EFFECTIVE UPON PASSAGE]: Sec. 11. All money coming into the
- 31 possession of a commission created under section 9 of this chapter
- 32 shall be deposited, held, secured, invested, and paid in accordance with
- 33 statutes relating to the handling of public funds. The handling and
- 34 expenditure of money coming into possession of the commission ~~is~~ **are**
- 35 subject to audit and supervision by the state board of accounts.
- 36 SECTION 61. IC 7.1-5-3-1, AS AMENDED BY P.L.64-2011,
- 37 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 38 UPON PASSAGE]: Sec. 1. (a) This section does not apply to the
- 39 following:
- 40 (1) An establishment where alcoholic beverages are sold that is
- 41 owned, in whole or part, by an entity that holds a brewer's permit
- 42 for a brewery described under IC 7.1-3-2-7(5).

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1 (2) An establishment where alcoholic beverages are sold that is
2 owned, in whole or part, by a statewide trade organization
3 consisting of members, each of whom ~~hold~~ holds a brewer's
4 permit for a brewery described under IC 7.1-3-2-7(5).

5 (b) It is unlawful to sell beer in this state at retail in a bottle, can, or
6 other container, unless the bottle, can, or other container was packaged
7 and sealed by the brewer at the brewer's bottling house contiguous or
8 adjacent to the brewery in which the beer was produced.

9 SECTION 62. IC 7.1-5-3-4, AS AMENDED BY P.L.64-2011,
10 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
11 UPON PASSAGE]: Sec. 4. (a) This section does not apply to the
12 following:

13 (1) The necessary refilling of a container by a person holding a
14 permit that authorizes the person to manufacture, rectify, or bottle
15 liquor.

16 (2) An establishment where alcoholic beverages are sold that is
17 owned, in whole or part, by an entity that holds a brewer's permit
18 for a brewery described under IC 7.1-3-2-7(5).

19 (3) An establishment where alcoholic beverages are sold that is
20 owned, in whole or part, by a statewide trade organization
21 consisting of members, each of whom ~~hold~~ holds a brewer's
22 permit for a brewery described under IC 7.1-3-2-7(5).

23 (b) It is unlawful for a person to:

24 (1) refill a bottle or container, in whole or in part, with an
25 alcoholic beverage; or

26 (2) knowingly possess a bottle or container that has been refilled,
27 in whole or in part, with an alcoholic beverage;

28 after the container of liquor has been emptied in whole or in part.

29 SECTION 63. IC 8-1-34-23, AS AMENDED BY P.L.1-2007,
30 SECTION 78, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
31 UPON PASSAGE]: Sec. 23. (a) Except as provided in subsection (b),
32 the holder of a certificate under this chapter shall, at the end of each
33 calendar quarter, determine under subsections (c) and (d) the gross
34 revenue received during that quarter from the holder's provision of
35 video service in each unit included in the holder's service area under
36 the certificate.

37 (b) This subsection applies to a holder or other provider providing
38 video service in a unit in which a provider of video service is required
39 on June 30, 2006, to pay a franchise fee based on a percentage of gross
40 revenues. The holder's or provider's gross revenue shall be determined
41 as follows:

42 (1) If only one (1) local franchise is in effect on June 30, 2006, the

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1 holder or provider shall determine gross revenue as the term is
 2 defined in the local franchise in effect on June 30, 2006.
 3 (2) If:
 4 (A) more than one (1) local franchise is in effect on June 30,
 5 2006; and
 6 (B) the holder or provider is subject to a local franchise in the
 7 unit on June 30, 2006;
 8 the holder or provider shall determine gross revenue as the term
 9 is defined in the local franchise to which the holder or provider is
 10 subject on June 30, 2006.
 11 (3) If:
 12 (A) more than one (1) local franchise is in effect on June 30,
 13 2006; and
 14 (B) the holder is not subject to a local franchise in the unit on
 15 June 30, 2006;
 16 the holder shall determine gross revenue as the term is defined in
 17 the local franchise in effect on June 30, 2006, that is most
 18 favorable to the unit.
 19 (c) This subsection does not apply to a holder that is required to
 20 determine gross revenue under subsection (b). The holder shall include
 21 the following in determining the gross revenue received during the
 22 quarter with respect to a particular unit:
 23 (1) Fees and charges charged to subscribers for video service
 24 provided by the holder. Fees and charges under this subdivision
 25 include the following:
 26 (A) Recurring monthly charges for video service.
 27 (B) Event based charges for video service, including pay per
 28 view and video on demand charges.
 29 (C) Charges for the rental of set top boxes and other
 30 equipment.
 31 (D) Service charges related to the provision of video service,
 32 including activation, installation, repair, and maintenance
 33 charges.
 34 (E) Administrative charges related to the provision of video
 35 service, including service order and service termination
 36 charges.
 37 (2) Revenue received by an affiliate of the holder from the
 38 affiliate's provision of video service, to the extent that treating the
 39 revenue as revenue of the affiliate, instead of revenue of the
 40 holder, would have the effect of evading the payment of fees that
 41 would otherwise be paid to the unit. However, revenue of an
 42 affiliate may not be considered revenue of the holder if the

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- 1 revenue is otherwise subject to fees to be paid to the unit.
- 2 (d) This subsection does not apply to a holder that is required to
- 3 determine gross revenue under subsection (b). The holder shall not
- 4 include the following in determining the gross revenue received during
- 5 the quarter with respect to a particular unit:
- 6 (1) Revenue not actually received, regardless of whether it is
- 7 billed. Revenue described in this subdivision includes bad debt.
- 8 (2) Revenue received by an affiliate or any other person in
- 9 exchange for supplying goods and services used by the holder to
- 10 provide video service under the holder's certificate.
- 11 (3) Refunds, rebates, or discounts made to subscribers,
- 12 advertisers, the unit, or other providers leasing access to the
- 13 holder's facilities.
- 14 (4) Revenue from providing service other than video service,
- 15 including revenue from providing:
- 16 (A) telecommunications service (as defined in 47 U.S.C.
- 17 153(46));
- 18 (B) information service (as defined in 47 U.S.C. 153(20)),
- 19 other than video service; or
- 20 (C) any other service not classified as cable service or video
- 21 programming by the Federal Communications Commission.
- 22 (5) Any fee imposed on the holder under this chapter that is
- 23 passed through to and paid by subscribers, including the franchise
- 24 fee:
- 25 (A) imposed under section 24 of this chapter for the quarter
- 26 immediately preceding the quarter for which gross revenue is
- 27 being computed; and
- 28 (B) passed through to and paid by subscribers during the
- 29 quarter for which gross revenue is being computed.
- 30 (6) Revenue from the sale of video service for resale in which the
- 31 purchaser collects a franchise fee under:
- 32 (A) this chapter; or
- 33 (B) a local franchise agreement in effect on July 1, 2006;
- 34 from the purchaser's customers. This subdivision does not limit
- 35 the authority of a unit, or the commission on behalf of a unit, to
- 36 impose a tax, fee, or other assessment upon the purchaser under
- 37 ~~42 U.S.C. 542(h)~~. **47 U.S.C. 542(h)**.
- 38 (7) Any tax of general applicability:
- 39 (A) imposed on the holder or on subscribers by a federal, state,
- 40 or local governmental entity; and
- 41 (B) required to be collected by the holder and remitted to the
- 42 taxing entity;

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1 including the state gross retail and use taxes (IC 6-2.5) and the
2 utility receipts tax (IC 6-2.3).

3 (8) Any forgone revenue from providing free or reduced cost
4 cable video service to any person, including:

5 (A) employees of the holder;

6 (B) the unit; or

7 (C) public institutions, public schools, or other governmental
8 entities, as required or permitted by this chapter or by federal
9 law.

10 However, any revenue that the holder chooses to forgo in
11 exchange for goods or services through a trade or barter
12 arrangement shall be included in gross revenue.

13 (9) Revenue from the sale of:

14 (A) capital assets; or

15 (B) surplus equipment that is not used by the purchaser to
16 receive video service from the holder.

17 (10) Reimbursements that:

18 (A) are made by programmers to the holder for marketing
19 costs incurred by the holder for the introduction of new
20 programming; and

21 (B) exceed the actual costs incurred by the holder.

22 (11) Late payment fees collected from customers.

23 (12) Charges, other than those described in subsection (c)(1), that
24 are aggregated or bundled with charges described in subsection
25 (c)(1) on a customer's bill, if the holder can reasonably identify
26 the charges on the books and records by the holder in the regular
27 course of business.

28 (e) If, under the terms of the holder's certificate, the holder provides
29 video service to any unincorporated area in Indiana, the holder shall
30 calculate the holder's gross income received from each unincorporated
31 area served in accordance with:

32 (1) subsection (b); or

33 (2) subsections (c) and (d);

34 whichever is applicable.

35 (f) If a unit served by the holder under a certificate annexes any
36 territory after the certificate is issued or renewed under this chapter, the
37 holder shall:

38 (1) include in the calculation of gross revenue for the annexing
39 unit any revenue generated by the holder from providing video
40 service to the annexed territory; and

41 (2) subtract from the calculation of gross revenue for any unit or
42 unincorporated area:

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1 (A) of which the annexed territory was formerly a part; and
 2 (B) served by the holder before the effective date of the
 3 annexation;
 4 the amount of gross revenue determined under subdivision (1);
 5 beginning with the calculation of gross revenue for the calendar quarter
 6 in which the annexation becomes effective. The holder shall notify the
 7 commission of the new boundaries of the affected service areas as
 8 required under section 20(a)(7) of this chapter.
 9 SECTION 64. IC 8-1-34-24, AS ADDED BY P.L.27-2006,
 10 SECTION 58, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 11 UPON PASSAGE]: Sec. 24. (a) Subject to subsection (e), not later than
 12 forty-five (45) days after the end of each calendar quarter, the holder
 13 shall pay to each unit included in the holder's service area under a
 14 certificate issued under this chapter a franchise fee equal to:
 15 (1) the amount of gross revenue received from providing video
 16 service in the unit during the most recent calendar quarter, as
 17 determined under section 23 of this chapter; multiplied by
 18 (2) a percentage equal to one (1) of the following:
 19 (A) If a local franchise has never been in effect in the unit
 20 before July 1, 2006, five percent (5%).
 21 (B) If no local franchise is in effect in the unit on July 1, 2006,
 22 but one (1) or more local franchises have been in effect in the
 23 unit before July 1, 2006, the percentage of gross revenue paid
 24 by the holder of the most recent local franchise in effect in the
 25 unit, unless the unit elects to impose a different percentage,
 26 which may not exceed five percent (5%).
 27 (C) If there is one (1) local franchise in effect in the unit on
 28 July 1, 2006, the percentage of gross revenue paid by the
 29 holder of that local franchise as a franchise fee to the unit,
 30 unless the unit elects to impose a different percentage, which
 31 may not exceed five percent (5%). Upon the expiration of a
 32 local franchise described in this clause, the percentage shall be
 33 determined by the unit but may not exceed five percent (5%).
 34 (D) If there is more than one (1) local franchise in effect with
 35 respect to the unit on July 1, 2006, a percentage determined by
 36 the unit, which may not exceed the greater of:
 37 (i) five percent (5%); or
 38 (ii) the percentage paid by a holder of any local franchise in
 39 effect in the unit on July 1, 2006.
 40 (b) If the holder provides video service to an unincorporated area in
 41 Indiana, as described in section 23(e) of this chapter, the holder shall:
 42 (1) calculate the franchise fee with respect to the unincorporated

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1 area in accordance with subsection (a); and

2 (2) remit the franchise fee to the county in which the
3 unincorporated area is located.

4 If an unincorporated area served by the provider is located in one (1)
5 or more contiguous counties, the provider shall remit part of the
6 franchise fee calculated under subdivision (1) to each county having
7 territory in the unincorporated area served. The part of the franchise fee
8 remitted to a county must bear the same proportion to the total
9 franchise fee for the area, as calculated under subdivision (1), that the
10 number of subscribers in the county bears to the total number of
11 subscribers in the unincorporated area served.

12 (c) With each payment of a franchise fee to a unit under this section,
13 the holder shall include a statement explaining the basis for the
14 calculation of the franchise fee. A unit may review the books and
15 records of:

16 (1) the holder; or

17 (2) an affiliate of the holder, if appropriate;

18 to the extent necessary to ensure the holder's compliance with section
19 23 of this chapter in calculating the gross revenue upon which the
20 remitted franchise fee is based. Each party shall bear the party's own
21 costs of an examination under this subsection. If the holder and the unit
22 cannot agree on the amount of gross revenue on which the franchise fee
23 should be based, either party may petition the commission to determine
24 the amount of gross revenue on which the franchise fee should be
25 based. A determination of the commission under this subsection is
26 final, subject to the right of direct appeal by either party.

27 (d) A franchise fee owed by a holder to a unit under this section may
28 be passed through to, and collected from, the holder's subscribers in the
29 unit. To the extent allowed under ~~43 U.S.C. 542(c)~~, **47 U.S.C. 542(c)**,
30 the holder may identify as a separate line item on each regular bill
31 issued to a subscriber:

32 (1) the amount of the total bill assessed as a franchise fee under
33 this section; and

34 (2) the identity of the unit to which the franchise fee is paid.

35 (e) A holder that elects under section 21(b)(1) of this chapter to
36 continue providing video service under a local franchise is not required
37 to pay the franchise fee prescribed under this section, but shall pay any
38 franchise fee imposed under the terms of the local franchise.

39 SECTION 65. IC 9-16-4-1, AS AMENDED BY P.L.221-2005,
40 SECTION 143, IS AMENDED TO READ AS FOLLOWS
41 [EFFECTIVE JULY 1, 2012]: Sec. 1. The commission may develop a
42 separate personnel system for employees of the commission who are

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1 assigned to be managers and employees of commission license
2 branches. The system may establish the rights, privileges, powers, and
3 duties of these employees, including a license branch pay scale and
4 benefit package. If the commission does not develop and adopt a
5 license branch personnel system, those employees are subject to the
6 state personnel system under ~~IC 4-15-1.8~~, **IC 4-15-2.2**, except as
7 provided in IC 9-16-1-7.

8 SECTION 66. IC 9-22-3-5 IS AMENDED TO READ AS
9 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. A certificate of
10 salvage title issued under section 4 of this chapter must contain the
11 following information:

- 12 (1) The same vehicle information as a certificate of title issued by
13 the ~~department~~ **bureau**.
- 14 (2) The notation "SALVAGE TITLE" prominently recorded on
15 the front and back of the title.
- 16 (3) If the motor vehicle is a flood damaged vehicle, the notation
17 "FLOOD DAMAGED" prominently recorded on the front and
18 back of the title.

19 SECTION 67. IC 9-23-0.7-2, AS ADDED BY P.L.220-2011,
20 SECTION 220, IS AMENDED TO READ AS FOLLOWS
21 [EFFECTIVE UPON PASSAGE]: Sec. 2. The rules adopted by the
22 bureau of motor vehicles before July 1, 2007, concerning:

- 23 (1) IC 9-23-1 (**repealed**);
- 24 (2) IC 9-23-2;
- 25 (3) IC 9-23-3; and
- 26 (4) IC 9-23-6;

27 are considered, after June 30, 2007, rules of the secretary of state.

28 SECTION 68. IC 9-24-9-2, AS AMENDED BY P.L.145-2011,
29 SECTION 17, AND AS AMENDED BY P.L.118-2011, SECTION 3,
30 IS CORRECTED AND AMENDED TO READ AS FOLLOWS
31 [EFFECTIVE UPON PASSAGE]: Sec. 2. (a) Before January 1, 2008,
32 each application for a license or permit under this chapter must require
33 the following information:

- 34 (1) The name, date of birth, sex, Social Security number, and
35 mailing address, and, if different from the mailing address, the
36 residence address of the applicant. The applicant shall indicate to
37 the bureau:
38 (A) which address the license or permit shall contain; and
39 (B) whether the Social Security number or another
40 distinguishing number shall be the distinctive identification
41 number used on the license or permit.
- 42 (2) Whether the applicant has been licensed as an operator, a

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- 1 chauffeur, or a public passenger chauffeur or has been the holder
- 2 of a learner's permit, and if so, when and by what state.
- 3 (3) Whether the applicant's license or permit has ever been
- 4 suspended or revoked, and if so, the date of and the reason for the
- 5 suspension or revocation.
- 6 (4) Whether the applicant has been convicted of a crime
- 7 punishable as a felony under Indiana motor vehicle law or any
- 8 other felony in the commission of which a motor vehicle was
- 9 used.
- 10 (5) Whether the applicant has a physical or mental disability, and
- 11 if so, the nature of the disability and other information the bureau
- 12 directs.
- 13 The bureau shall maintain records of the information provided under
- 14 subdivisions (1) through (5).
- 15 (b) Except as provided in subsection (c), after December 31, 2007,
- 16 each application for a license or permit under this chapter must require
- 17 the following information:
- 18 (1) The full legal name of the applicant.
- 19 (2) The applicant's date of birth.
- 20 (3) The gender of the applicant.
- 21 (4) The applicant's height, weight, hair color, and eye color.
- 22 (5) The principal address and mailing address of the applicant.
- 23 (6) A:
- 24 (A) valid Social Security number; or
- 25 (B) verification of an applicant's:
- 26 (i) ineligibility to be issued a Social Security number; and
- 27 (ii) identity and lawful status.
- 28 (7) Whether the applicant has been subject to fainting spells or
- 29 seizures.
- 30 (8) Whether the applicant has been licensed as an operator, a
- 31 chauffeur, or a public passenger chauffeur or has been the holder
- 32 of a learner's permit, and if so, when and by what state.
- 33 (9) Whether the applicant's license or permit has ever been
- 34 suspended or revoked, and if so, the date of and the reason for the
- 35 suspension or revocation.
- 36 (10) Whether the applicant has been convicted of a crime
- 37 punishable as a felony under Indiana motor vehicle law or any
- 38 other felony in the commission of which a motor vehicle was
- 39 used.
- 40 (11) Whether the applicant has a physical or mental disability,
- 41 and if so, the nature of the disability and other information the
- 42 bureau directs.

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1 (12) The signature of the applicant.
2 The bureau shall maintain records of the information provided under
3 subdivisions (1) through (12).

4 (c) For purposes of subsection (b), an individual certified as a
5 program participant in the address confidentiality program under
6 IC 5-26.5 is not required to provide the individual's principal address
7 and mailing address, but may provide an address designated by the
8 office of the attorney general under IC 5-26.5 as the individual's
9 principal address and mailing address.

10 (d) *In addition to the information required by subsection (b), an*
11 *applicant who is required to complete at least fifty (50) hours of*
12 *supervised practice driving under IC 9-24-3-2.5(a)(1)(E) or*
13 *IC 9-24-3-2.5(a)(2)(D) must submit to the commission evidence of the*
14 *time logged in practice driving. The bureau shall maintain a record of*
15 *the time log provided.*

16 ~~(d)~~ (e) *In addition to the information required under subsection (b),*
17 *an application for a license or permit to be issued under this chapter*
18 *must enable the applicant to indicate that the applicant is a veteran of*
19 *the armed forces of the United States and wishes to have an indication*
20 *of the applicant's veteran status appear on the license or permit. An*
21 *applicant who wishes to have an indication of the applicant's veteran*
22 *status appear on a license or permit must:*

- 23 (1) *indicate on the application that the applicant:*
 - 24 (A) *is a veteran of the armed forces of the United States; and*
 - 25 (B) *wishes to have an indication of the applicant's veteran*
26 *status appear on the license or permit; and*
- 27 (2) *verify the applicant's veteran status by providing proof of*
28 *discharge.*

29 *The bureau shall maintain records of the information provided under*
30 *this subsection.*

31 SECTION 69. IC 9-24-11-5.5, AS ADDED BY P.L.118-2011,
32 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
33 UPON PASSAGE]: Sec. 5.5. If a permittee or licensee has under
34 ~~IC 9-24-9-2(d);~~ **IC 9-24-9-2(e):**

- 35 (1) *indicated on the application that the permittee or licensee is a*
36 *veteran of the armed forces of the United States and wishes to*
37 *have an indication of the permittee's or licensee's veteran status*
38 *appear on the license or permit; and*
- 39 (2) *provided proof of discharge;*
40 *an indication of the permittee's or licensee's veteran status shall be*
41 *shown on the license or permit.*

42 SECTION 70. IC 9-24-19-2 IS AMENDED TO READ AS

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1 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. A person who
 2 operates a motor vehicle upon a highway when the person knows that
 3 the person's driving privilege, license, or permit is suspended or
 4 revoked ~~when commits a Class A misdemeanor if,~~ less than ten (10)
 5 years ~~have elapsed between: before the date on which the person~~
 6 **operates the motor vehicle knowing that the person's driving**
 7 **privilege, license, or permit is suspended or revoked, (+) the date a**
 8 judgment was entered against the person for a prior unrelated:

9 (1) ~~violation of infraction under~~ section 1 of this chapter; or

10 (2) **offense or infraction under:**

11 (A) this section;

12 (B) IC 9-1-4-52 (repealed July 1, 1991); or

13 (C) IC 9-24-18-5(a) (repealed July 1, 2000).

14 ~~and (2) the date the violation described in subdivision (+) was~~
 15 ~~committed; commits a Class A misdemeanor:~~

16 SECTION 71. IC 9-29-6-3, AS AMENDED BY P.L.134-2007,
 17 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 18 UPON PASSAGE]: Sec. 3. (a) The fees for permits issued under
 19 IC 9-20-6 to exceed the legal weight limit are as follows:

20 (1) A trip permit, twenty dollars (\$20).

21 (2) A mileage fee, which is in addition to the trip permit fee in
 22 subdivision (1), to be calculated for that part of the gross weight
 23 exceeding eighty thousand (80,000) pounds as follows:

24 (A) For loads greater than eighty thousand (80,000) pounds
 25 but not more than one hundred eight thousand (108,000)
 26 pounds, thirty-five cents (\$0.35) per mile.

27 (B) For loads greater than one hundred eight thousand
 28 (108,000) pounds but not more than one hundred fifty
 29 thousand (150,000) pounds, sixty cents (\$0.60) per mile.

30 (C) For loads greater than one hundred fifty thousand
 31 (150,000) pounds, one dollar (\$1) per mile.

32 (3) A ninety (90) day permit, two hundred dollars (\$200).

33 (4) An annual permit issued under IC 9-20-6-2(c), eight hundred
 34 dollars (\$800).

35 (b) If an application for a permit involves transporting heavy
 36 vehicles or loads, or other objects, that exceed the legal length, width,
 37 or height limit and that also exceed the legal weight limit in the same
 38 movement, the applicant shall pay only the greater of the two (2) fees
 39 established in section 2 or 3 of this chapter and the issuing officer or
 40 body shall issue a single oversize-overweight permit. The fee for a
 41 ninety (90) day permit described in ~~IC 9-20-6-2(b)(3)~~
 42 **IC 9-20-6-2(c)(3)** is two hundred dollars (\$200).



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1 SECTION 72. IC 9-30-10-13, AS AMENDED BY P.L.109-2011,
 2 SECTION 38, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 3 UPON PASSAGE]: Sec. 13. (a) The bureau may issue a license to
 4 operate a motor vehicle to a habitual violator whose driving privileges
 5 were suspended under section 5(b) of this chapter if the following
 6 conditions exist:

7 (1) The time specified for the person's probation or the restriction
 8 or suspension of the person's license has elapsed.

9 (2) The person has met all the requirements of all applicable
 10 statutes and rules relating to the licensing of motor vehicle
 11 operators.

12 (3) The person files with the bureau and maintains for three (3)
 13 years after filing proof of financial responsibility in accordance
 14 with IC 9-25.

15 (4) The bureau places a restriction on the person's driver's license
 16 and driving record that indicates the person is prohibited from
 17 operating a motor vehicle or motorized bicycle with an alcohol
 18 concentration equivalent to at least two-hundredths (0.02) gram
 19 of alcohol per:

20 (A) one hundred (100) milliliters of the person's blood; or

21 (B) two hundred ten (210) liters of the person's breath;

22 or while intoxicated (as defined under IC 9-13-2-86) for three (3)
 23 years after the bureau issues the driver's license to the person.

24 (5) The person signs a bureau form by which the person agrees
 25 that as a condition to obtaining the driver's license the person will
 26 submit to a chemical test at any time during the period three (3)
 27 years after the bureau issues the driver's license to the person if a
 28 law enforcement officer lawfully stops the person while operating
 29 a motor vehicle or motorized bicycle and the law enforcement
 30 officer requests that the person submit to a chemical test.

31 (b) The bureau may issue a license to operate a motor vehicle to a
 32 habitual violator whose driving privileges have been suspended for life
 33 if the following conditions exist:

34 (1) The bureau has received an order for rescission of suspension
 35 and reinstatement issued under section 15 of this chapter.

36 (2) The person to whom the license is to be issued has never been
 37 convicted of a violation described in section 4(a) or 17 of this
 38 chapter.

39 (3) The person has not been convicted of an offense under section
 40 16 of this chapter more than one (1) time.

41 (4) The person has met all the requirements of all applicable
 42 statutes and rules relating to the licensing of motor vehicle

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1 operators.
 2 (5) The person:
 3 (A) files with the bureau; and
 4 (B) maintains for three (3) years after filing;
 5 proof of financial responsibility in accordance with IC 9-25.
 6 (6) The bureau places a restriction on the person's driver's license
 7 and driving record that indicates the person is prohibited from
 8 operating a motor vehicle or motorized bicycle with an alcohol
 9 concentration equivalent to at least two-hundredths (0.02) gram
 10 of alcohol per:
 11 (A) one hundred (100) milliliters of the person's blood; or
 12 (B) two hundred ten (210) liters of the person's breath;
 13 or while intoxicated (as defined under IC 9-13-2-86) for three (3)
 14 years after the bureau issues the driver's license to the person.
 15 (7) The person signs a bureau form by which the person agrees
 16 that as a condition to obtaining the driver's license the person will
 17 submit to a chemical test at any time during the period three (3)
 18 years after the bureau issues the driver's license to the person if a
 19 law enforcement officer lawfully stops the person while operating
 20 a motor vehicle or motorized bicycle and the law enforcement
 21 officer requests that the person submit to a chemical test.
 22 (c) A habitual violator is not eligible for relief under the hardship
 23 provisions of IC 9-24-15.
 24 SECTION 73. IC 10-19-3-4, AS ADDED BY P.L.22-2005,
 25 SECTION 17, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 26 JULY 1, 2012]: Sec. 4. The executive director may appoint employees
 27 in the manner provided by ~~IC 4-15-2~~ **IC 4-15-2.2** and fix their
 28 compensation, subject to the approval of the budget agency under
 29 IC 4-12-1-13.
 30 SECTION 74. IC 10-20-2-3, AS ADDED BY P.L.158-2011,
 31 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 32 JULY 1, 2012]: Sec. 3. The director may appoint employees in the
 33 manner provided by ~~IC 4-15-2~~ **IC 4-15-2.2** and fix their compensation,
 34 subject to the approval of the budget agency under IC 4-12-1-13.
 35 SECTION 75. IC 10-20-2-5, AS ADDED BY P.L.158-2011,
 36 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 37 UPON PASSAGE]: Sec. 5. The department has the following duties:
 38 (1) Provide instruction in toxicology to law enforcement officers
 39 and certify law enforcement officers as required by the statutes for
 40 the administration of breath and other chemical tests.
 41 (2) Provide instruction and technical assistance as needed to
 42 prosecutors and defense counsel for the proper:

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- 1 (A) ~~administration~~ **admission** of test results into evidence; or
- 2 (B) exclusion of test results from evidence.
- 3 (3) Provide instruction to judges concerning toxicology and the
- 4 science of alcohol and drug testing as needed to improve the
- 5 administration of justice.
- 6 (4) Provide information to the public concerning chemical testing
- 7 and the science of toxicology to advance a better understanding
- 8 of the system of justice in Indiana.
- 9 SECTION 76. IC 10-20.1-1-1, AS ADDED BY P.L.158-2011,
- 10 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 11 UPON PASSAGE]: Sec. 1. (a) As used in this section, "board" means
- 12 the toxicology advisory board established by subsection (b).
- 13 (b) The toxicology advisory board is established to assist in the
- 14 transition of the state department of toxicology from the Indiana
- 15 University School of Medicine to the state department of toxicology
- 16 under IC 10-20. The board shall provide guidance on:
- 17 (1) the transition to the department;
- 18 (2) obtaining accreditation by a nationally recognized
- 19 organization that sets toxicology standards; and
- 20 (3) recommendations for additional legislation needed regarding
- 21 the ongoing operations of the department of toxicology.
- 22 (c) The board consists of three (3) members appointed by the
- 23 governor. Each member must have expertise and experience in
- 24 toxicology. One (1) of the members must be a judge or retired judge
- 25 who is knowledgeable in the area of toxicology and in training in
- 26 toxicology issues.
- 27 (c) ~~(d)~~ (d) Service on the board does not constitute holding a public
- 28 office.
- 29 (d) ~~(e)~~ (e) Each member of the board is not entitled to the minimum
- 30 salary per diem provide by IC 4-10-11-2.1(b). A member is entitled to
- 31 reimbursement for traveling expenses as provided under IC 4-13-1-4
- 32 and other expenses actually incurred in connection with the member's
- 33 duties as provided in the state policies and procedures established by
- 34 the Indiana department of administration and approved by the budget
- 35 agency.
- 36 (e) ~~(f)~~ (f) The affirmative votes of a majority of the members are
- 37 required for the board to take action on any measure, including **the**
- 38 final report.
- 39 (f) ~~(g)~~ (g) The board shall deliver a report to the governor and the
- 40 legislative council by September 1, 2012. The report to the legislative
- 41 council must be in an electronic format under IC 5-14-6.
- 42 (g) ~~(h)~~ (h) This article expires December 21, 2012.

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1 SECTION 77. IC 11-8-2-5, AS AMENDED BY P.L.77-2009,
2 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 JULY 1, 2012]: Sec. 5. (a) The commissioner shall do the following:

4 (1) Organize the department and employ personnel necessary to
5 discharge the duties and powers of the department.

6 (2) Administer and supervise the department, including all state
7 owned or operated correctional facilities.

8 (3) Except for employees of the parole board, be the appointing
9 authority for all positions in the department. ~~within the scope of~~
10 ~~IC 4-15-2 and define the duties of those positions in accord with~~
11 ~~IC 4-15-2.~~

12 (4) Define the duties of a deputy commissioner and a
13 superintendent.

14 (5) Accept committed persons for study, evaluation,
15 classification, custody, care, training, and reintegration.

16 (6) Determine the capacity of all state owned or operated
17 correctional facilities and programs and keep all Indiana courts
18 having criminal or juvenile jurisdiction informed, on a quarterly
19 basis, of the populations of those facilities and programs.

20 (7) Utilize state owned or operated correctional facilities and
21 programs to accomplish the purposes of the department and
22 acquire or establish, according to law, additional facilities and
23 programs whenever necessary to accomplish those purposes.

24 (8) Develop policies, programs, and services for committed
25 persons, for administration of facilities, and for conduct of
26 employees of the department.

27 (9) Administer, according to law, the money or other property of
28 the department and the money or other property retained by the
29 department for committed persons.

30 (10) Keep an accurate and complete record of all department
31 proceedings, which includes the responsibility for the custody and
32 preservation of all papers and documents of the department.

33 (11) Make an annual report to the governor according to
34 subsection (c).

35 (12) Develop, collect, and maintain information concerning
36 offenders, sentencing practices, and correctional treatment as the
37 commissioner considers useful in penological research or in
38 developing programs.

39 (13) Cooperate with and encourage public and private agencies
40 and other persons in the development and improvement of
41 correctional facilities, programs, and services.

42 (14) Explain correctional programs and services to the public.

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1 (15) As required under 42 U.S.C. 15483, after January 1, 2006,
2 provide information to the election division to coordinate the
3 computerized list of voters maintained under IC 3-7-26.3 with
4 department records concerning individuals disfranchised under
5 IC 3-7-46.

6 (b) The commissioner may:

- 7 (1) when authorized by law, adopt departmental rules under
- 8 IC 4-22-2;
- 9 (2) delegate powers and duties conferred on the commissioner by
- 10 law to a deputy commissioner or commissioners and other
- 11 employees of the department;
- 12 (3) issue warrants for the return of escaped committed persons (an
- 13 employee of the department or any person authorized to execute
- 14 warrants may execute a warrant issued for the return of an
- 15 escaped person);
- 16 (4) appoint personnel to be sworn in as correctional police
- 17 officers; and
- 18 (5) exercise any other power reasonably necessary in discharging
- 19 the commissioner's duties and powers.

20 (c) The annual report of the department shall be transmitted to the
21 governor by September 1 of each year and must contain:

- 22 (1) a description of the operation of the department for the fiscal
- 23 year ending June 30;
- 24 (2) a description of the facilities and programs of the department;
- 25 (3) an evaluation of the adequacy and effectiveness of those
- 26 facilities and programs considering the number and needs of
- 27 committed persons or other persons receiving services; and
- 28 (4) any other information required by law.

29 Recommendations for alteration, expansion, or discontinuance of
30 facilities or programs, for funding, or for statutory changes may be
31 included in the annual report.

32 SECTION 78. IC 11-13-4.5-1.5, AS ADDED BY P.L.137-2011,
33 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
34 UPON PASSAGE]: Sec. 1.5. The governor shall enter into a compact
35 on behalf of the state with any other state in the form substantially as
36 set forth in this section.

37 ARTICLE I
38 DEFINITIONS

39 As used in this compact, unless the context clearly requires a
40 different construction:

- 41 (1) "Bylaws" mean those bylaws established by the interstate
- 42 commission for its governance or for directing or controlling the

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- 1 interstate commission's actions or conduct.
- 2 (2) "Compact administrator" means the individual in each
- 3 compacting state appointed under the terms of this compact,
- 4 responsible for the administration and management of the state's
- 5 supervision and transfer of juveniles subject to the terms of this
- 6 compact, the rules adopted by the interstate commission, and
- 7 policies adopted by the state council under this compact.
- 8 (3) "Compacting state" means any state that has enacted the
- 9 enabling legislation for this compact.
- 10 (4) "Commissioner" means the voting representative of each
- 11 compacting state appointed under Article II of this compact.
- 12 (5) "Court" means any court having jurisdiction over a delinquent,
- 13 neglected, or dependent child.
- 14 (6) "Deputy compact administrator" means the individual, if any,
- 15 in each compacting state appointed to act on behalf of a compact
- 16 administrator under the terms of this compact responsible for the
- 17 administration and management of the state's supervision and
- 18 transfer of juveniles subject to the terms of this compact, the rules
- 19 adopted by the interstate commission, and policies adopted by the
- 20 state council under this compact.
- 21 (7) "Interstate commission" means the interstate commission for
- 22 juveniles established by this compact.
- 23 (8) "Juvenile" means any person defined as a juvenile in any
- 24 member state or by the rules of the interstate commission,
- 25 including the following terms and definitions:
- 26 (A) "Accused delinquent" means a person charged with an
- 27 offense that if committed by an adult would be a criminal
- 28 offense.
- 29 (B) "Adjudicated delinquent" means a person found to have
- 30 committed an offense that if committed by an adult would be
- 31 a criminal offense.
- 32 (C) "Accused status offender" means a person charged with an
- 33 offense that would not be a criminal offense if committed by
- 34 an adult.
- 35 (D) "Adjudicated status offender" means a person found to
- 36 have committed an offense that would not be a criminal
- 37 offense if committed by an adult.
- 38 (E) "Nonoffender" means a person in need of supervision who
- 39 is not an accused or adjudicated status offender or delinquent.
- 40 (9) "Noncompacting state" means any state that has not enacted
- 41 the enabling legislation for this compact.
- 42 (10) "Probation or parole" means any kind of supervision or

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conditional release of juveniles authorized by the laws of the compacting states.

(11) "Rules" means a written statement by the interstate commission adopted under Article V of this compact that is of general applicability, implements, interprets, or prescribes a policy or provision of the compact, or an organizational, procedural, or practice requirement of the interstate commission.

(12) "State" means a state of the United States, the District of Columbia, or any other territorial possession of the United States.

ARTICLE II

INTERSTATE COMMISSION FOR JUVENILES

(a) The interstate commission for juveniles is established.

(b) The interstate commission is a body corporate and joint agency of the compacting states. The interstate commission has all the responsibilities, powers, and duties set forth in this section, and additional powers as conferred upon it by subsequent action of the respective legislatures of the compacting states in accordance with the terms of this compact.

(c) The interstate commission consists of commissioners appointed by the appropriate appointing authority in each state under the rules and requirements of each compacting state and in consultation with the state council for interstate juvenile supervision set forth in this section. The commissioner is the compact administrator, deputy compact administrator, or designee from that state who serves on the interstate commission under the law of the compacting state.

(d) In addition to the commissioners, who are the voting representatives of each state, the interstate commission includes individuals who are not commissioners but who are members of interested organizations. Noncommissioner members include a member of the national organizations of governors, legislators, state chief justices, attorneys general, interstate compact for adult offender officials, interstate compact for the placement of children officials, juvenile justice and juvenile corrections officials, and crime victims. All noncommissioner members of the interstate commission are ex officio nonvoting members. The interstate commission may provide in its bylaws for additional, ex officio, nonvoting members, including members of other national organizations.

(e) Each compacting state represented at any meeting of the interstate commission is entitled to one (1) vote. A majority of the compacting states constitute a quorum for the transaction of business, unless a larger quorum is required by the bylaws of the interstate commission.

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1 (f) The interstate commission shall meet at least once each calendar
2 year. The chairperson may call additional meetings and, upon the
3 request of a simple majority of the compacting states, shall call
4 additional meetings. Public notice shall be given of all meetings and
5 meetings must be open to the public.

6 (g) The interstate commission shall establish an executive
7 committee that must include interstate commission officers, members,
8 and others as determined by the bylaws. The executive committee has
9 authority to act on behalf of the interstate commission during periods
10 when the interstate commission is not in session, with the exception of
11 rulemaking or making amendments to the compact. The executive
12 committee oversees the day to day activities managed by the executive
13 director and interstate commission staff, administers enforcement and
14 compliance with the provisions of the compact, its bylaws and rules,
15 and performs other duties as directed by the interstate commission or
16 set forth in the bylaws.

17 (h) Each member of the interstate commission is entitled to cast a
18 vote and to participate in the business and affairs of the interstate
19 commission. A member shall vote in person and may not delegate a
20 vote to another compacting state. However, a commissioner, in
21 consultation with the state council, shall appoint another authorized
22 representative, in the absence of the commissioner from that state, to
23 cast a vote on behalf of the compacting state at a specified meeting.
24 The bylaws may provide for members' participation in meetings by
25 telephone or other means of telecommunication or electronic
26 communication.

27 (i) The interstate commission's bylaws must establish conditions and
28 procedures. The interstate commission shall make its information and
29 official records available to the public for inspection or copying under
30 the bylaws. The interstate commission may exempt from disclosure any
31 information or official records to the extent they would adversely affect
32 personal privacy rights or proprietary interests.

33 (j) Public notice shall be given of all meetings, and all meetings
34 shall be open to the public, except as set forth in the rules or as
35 otherwise provided in the compact. The interstate commission and its
36 committees may close a meeting to the public if it determines by
37 two-thirds (2/3) vote that an open meeting would likely:

- 38 (1) relate solely to the interstate commission's internal personnel
- 39 practices and procedures;
- 40 (2) disclose matters specifically exempted from disclosure by
- 41 statute;
- 42 (3) disclose trade secrets or commercial or financial information

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- 1 that is privileged or confidential;
- 2 (4) involve accusing a person of a crime, or formally censuring a
- 3 person;
- 4 (5) disclose information of a personal nature if the disclosure
- 5 would constitute a clearly unwarranted invasion of personal
- 6 privacy;
- 7 (6) disclose investigative records compiled for law enforcement
- 8 purposes;
- 9 (7) disclose information contained in or related to the examination
- 10 of, operating or condition reports prepared by, on behalf of, or for
- 11 the use of, the interstate commission with respect to a regulated
- 12 person or entity for the purpose of regulation or supervision of the
- 13 regulated person or entity;
- 14 (8) disclose information prematurely and significantly endanger
- 15 the stability of a regulated person or entity; or
- 16 (9) specifically relate to the interstate commission's issuance of a
- 17 subpoena or its participation in a civil action or other legal
- 18 proceeding.

19 (k) For every meeting closed under ~~subsection (i)~~; **subsection (j)**,
 20 the interstate commission's legal counsel shall publicly certify that, in
 21 the legal counsel's opinion, the meeting may be closed to the public,
 22 and shall reference each relevant exemption clause listed in ~~subsection~~
 23 ~~(i)~~; **subsection (j)**. The interstate commission shall keep minutes that
 24 describe all matters discussed in each meeting and shall provide a
 25 summary of any actions taken. The minutes must also include a
 26 description of the views expressed on any item and the record of any
 27 roll call vote indicating how each member voted in each vote. All
 28 documents considered in connection with any action must be identified
 29 in each set of minutes.

30 (l) The interstate commission shall collect standardized data
 31 concerning the interstate movement of juveniles as directed through its
 32 rule that shall specify the data to be collected, the means of collection,
 33 and data exchange and reporting requirements. The methods of data
 34 collection, exchange, and reporting shall conform to modern
 35 technology and coordinate the information functions with the
 36 appropriate repository of records.

37 ARTICLE III

38 POWERS AND DUTIES OF THE INTERSTATE COMMISSION

39 The interstate commission has the following powers and duties:

- 40 (1) To provide for dispute resolution among compacting states.
- 41 (2) To adopt rules that are binding in the compacting states to the
- 42 extent and in the manner provided in this compact.

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- 1 (3) To oversee, supervise, and coordinate the interstate movement
- 2 of juveniles subject to the terms of this compact and any bylaws
- 3 and rules adopted by the interstate commission.
- 4 (4) To enforce compliance with compact provisions, interstate
- 5 commission rules, and bylaws, using all necessary and proper
- 6 means, including but not limited to the use of judicial process.
- 7 (5) To establish and maintain offices.
- 8 (6) To purchase and maintain insurance and bonds.
- 9 (7) To borrow, accept, or contract for services of personnel,
- 10 including, but not limited to, members and their staffs.
- 11 (8) To establish and appoint committees and hire staff it considers
- 12 necessary for the carrying out of its functions, including, but not
- 13 limited to, an executive committee as required by Article II of this
- 14 compact that may act on behalf of the interstate commission in
- 15 carrying out its powers and duties.
- 16 (9) To elect or appoint officers, attorneys, employees, agents, or
- 17 consultants, to fix their compensation, define their duties, and
- 18 determine their qualifications, and to establish the interstate
- 19 commission's personnel policies and programs relating to, among
- 20 other things, conflicts of interest, rates of compensation, and
- 21 qualifications of personnel.
- 22 (10) To accept donations and grants of money, equipment,
- 23 supplies, materials, and services and to receive, use, and dispose
- 24 of them.
- 25 (11) To lease, purchase, accept contributions or donations of, or
- 26 otherwise own, hold, improve, or use any real, personal, or mixed
- 27 property.
- 28 (12) To sell, convey, mortgage, pledge, lease, exchange, abandon,
- 29 or otherwise dispose of any real, personal, or mixed property.
- 30 (13) To establish a budget and make expenditures and levy dues
- 31 as provided in Article VII of this compact.
- 32 (14) To sue and be sued.
- 33 (15) To adopt a seal and suitable bylaws governing the
- 34 management and operation of the interstate commission.
- 35 (16) To perform functions as necessary or appropriate to achieve
- 36 the purposes of this compact.
- 37 (17) To report annually to the legislatures, governors, judiciary,
- 38 and state councils of the compacting states concerning the
- 39 activities of the interstate commission during the preceding year.
- 40 Reports must include any recommendations that may have been
- 41 adopted by the interstate commission.
- 42 (18) To coordinate education, training, and public awareness for

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1 officials involved in the interstate movement of juveniles.
 2 (19) To establish uniform standards for the reporting, collecting,
 3 and exchanging of data.
 4 (20) The interstate commission must maintain its corporate books
 5 and records in accordance with the bylaws.

6 ARTICLE IV
 7 ORGANIZATION AND OPERATION OF THE INTERSTATE
 8 COMMISSION

9 Part A. Bylaws

10 The interstate commission shall, by a majority of the members,
 11 within twelve (12) months of the first interstate commission meeting,
 12 adopt bylaws to govern its conduct as may be necessary or appropriate
 13 to carry out the purposes of the compact, including:

- 14 (1) establishing the fiscal year of the interstate commission;
- 15 (2) establishing an executive committee and other committees as
 16 necessary;
- 17 (3) providing reasonable standards and procedures:
 18 (A) for the establishment of committees; and
 19 (B) governing any general or specific delegation of any
 20 authority or function of the interstate commission;
- 21 (4) providing reasonable procedures for calling and conducting
 22 meetings of the interstate commission and ensuring reasonable
 23 notice of each meeting;
- 24 (5) establishing the titles and responsibilities of the officers of the
 25 interstate commission;
- 26 (6) providing a mechanism for concluding the operations of the
 27 interstate commission and the return of any surplus funds that
 28 may exist upon the termination of the compact after the payment
 29 and reserving of its debts and obligations;
- 30 (7) providing transition rules for a start-up administration of the
 31 compact; and
- 32 (8) establishing standards and procedures for compliance and
 33 technical assistance in carrying out the compact.

34 Part B. Officers and Staff

35 (a) The interstate commission, by a majority of the members, shall
 36 elect from among its members a chairperson and a vice chairperson,
 37 each of whom has authority and duties as specified in the bylaws. The
 38 chairperson or, in the chairperson's absence or disability, the vice
 39 chairperson, shall preside at all meetings of the interstate commission.
 40 The officers elected serve without compensation or remuneration from
 41 the interstate commission. However, subject to the availability of
 42 budgeted funds, the officers are entitled to be reimbursed for any actual

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1 and necessary costs and expenses incurred by them in the performance
2 of their duties and responsibilities as officers of the interstate
3 commission.

4 (b) The interstate commission, through its executive committee,
5 shall appoint or retain an executive director. The interstate commission
6 may set terms and conditions for the appointment of the executive
7 director and shall determine the appropriate compensation for the
8 executive director. The executive director shall serve as secretary to the
9 interstate commission and hire and supervise other staff as authorized
10 by the interstate commission, but is not a member.

11 Part C. Qualified Immunity, Defense, and Indemnification

12 (a) The members, officers, executive director, and employees of the
13 interstate commission are immune from suit and liability, either
14 personally or in their official capacities, for any claim for damage to or
15 loss of property or personal injury or other civil liability caused or
16 arising out of any actual or alleged act, error, or omission that occurs
17 within the scope of interstate commission employment, duties, or
18 responsibilities. However, this subsection may not be construed to
19 protect any person from suit or liability for any damage, loss, injury, or
20 liability caused by the intentional or willful and wanton misconduct of
21 any person.

22 (b) The liability of any commissioner, or the employee or agent of
23 a commissioner, acting within the scope of the person's employment or
24 duties for acts, errors, or omissions occurring within the person's state
25 may not exceed the limits of liability set forth under the constitution
26 and law of that state for state officials, employees, and agents. This
27 subsection may not be construed to protect any person from suit or
28 liability for any damage, loss, injury, or liability caused by the
29 intentional or willful and wanton misconduct of any the person.

30 (c) The interstate commission shall defend the executive director,
31 the executive director's employees and representatives, the
32 commissioner of a compacting state, and the commissioner's
33 representatives or employees in any civil action seeking to impose
34 liability arising out of any actual or alleged act, error, or omission that
35 occurs within the scope of interstate commission employment, duties,
36 or responsibilities or that the defendant has a reasonable basis for
37 believing occurred within the scope of interstate commission
38 employment, duties, or responsibilities, as long as the actual or alleged
39 act, error, or omission did not result from intentional wrongdoing on
40 the part of the person.

41 (d) The interstate commission shall indemnify and hold harmless the
42 commissioner of a compacting state, the appointed designee or

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1 employees, and the interstate commission's representatives or
2 employees in the amount of any settlement or judgment obtained
3 against the person arising out of any actual or alleged act, error, or
4 omission that occurs within the scope of interstate commission
5 employment, duties, or responsibilities, or that the person had a
6 reasonable basis for believing occurred within the scope of interstate
7 commission employment, duties, or responsibilities, provided that the
8 actual or alleged act, error, or omission did not result from gross
9 negligence or intentional wrongdoing on the part of the person.

10 ARTICLE V
11 RULEMAKING FUNCTIONS OF THE INTERSTATE
12 COMMISSION

13 (a) The interstate commission shall adopt rules to effectively and
14 efficiently achieve the purposes of the compact.

15 (b) Rulemaking shall occur under the criteria set forth in this article
16 and the bylaws and rules adopted. Rulemaking must substantially
17 conform to the principles of the Model State Administrative Procedures
18 Act, 1981 Act, Uniform Laws Annotated, Vol. 15, p. 1 (2000), or
19 another administrative procedures act the interstate commission
20 considers to be consistent with the due process requirement of the
21 Constitution of the United States as interpreted by the United States
22 Supreme Court.

23 (c) All rules and amendments become binding as of the date
24 specified in each rule or amendment.

25 (d) When adopting a rule, the interstate commission shall:

- 26 (1) publish the entire text of the proposed rule and the reason for
27 the proposed rule;
- 28 (2) allow and invite individuals to submit written data, facts,
29 opinions, and arguments, that shall be publicly available;
- 30 (3) provide an opportunity for an informal hearing if petitioned by
31 ten (10) or more individuals; and
- 32 (4) adopt a final rule and its effective date, if appropriate, based
33 on input from state and local officials or other interested parties.

34 (e) Not later than sixty (60) days after a rule is adopted, any
35 interested person may file a petition in the United States District Court
36 for the District of Columbia or in the Federal District Court where the
37 interstate commission's principal office is located for judicial review of
38 the rule. If the court finds that the interstate commission's action is not
39 supported by substantial evidence in the rulemaking record, the court
40 shall hold the rule unlawful and set it aside. For purposes of this
41 subsection, evidence is substantial if it would be considered substantial
42 evidence under the Model State Administrative Procedures Act.

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1 (f) If a majority of the legislatures of the compacting states rejects
2 a rule, those states may, by enactment of a statute or resolution in the
3 same manner used to adopt the compact, cause the rule to be no longer
4 in effect in any compacting state.

5 (g) The rules governing the operation of the interstate compact on
6 juveniles ~~superceded~~ **superseded** by this act are void twelve (12)
7 months after the first meeting of the interstate commission created by
8 this compact.

9 (h) Upon determination by the interstate commission that an
10 emergency exists, it may adopt an emergency rule that becomes
11 effective immediately upon adoption. However, the rulemaking
12 procedures provided under this article shall be applied retroactively to
13 the rule as soon as reasonably possible and not later than ninety (90)
14 days after the effective date of the rule.

15 ARTICLE VI
16 OVERSIGHT, ENFORCEMENT, AND DISPUTE
17 RESOLUTION BY THE INTERSTATE COMMISSION

18 Part A. Oversight

19 (a) The interstate commission shall oversee the administration and
20 operations of the interstate movement of juveniles subject to this
21 compact in the compacting states and shall monitor activities being
22 administered in noncompacting states that may significantly affect
23 compacting states.

24 (b) The courts and executive agencies in each compacting state shall
25 enforce this compact and shall take all actions necessary and
26 appropriate to effectuate the compact's purposes and intent. The
27 provisions of this compact and the rules adopted shall be received by
28 all the judges, public officers, commissions, and departments of the
29 state government as evidence of the authorized statute and
30 administrative rules. All courts shall take judicial notice of the compact
31 and the rules. In any judicial or administrative proceeding in a
32 compacting state pertaining to the subject matter of this compact that
33 may affect the powers, responsibilities, or actions of the interstate
34 commission, the interstate commission is entitled to receive all service
35 of process in any proceeding and has standing to intervene in the
36 proceeding for all purposes.

37 Part B. Dispute Resolution

38 (a) The compacting states shall report to the interstate commission
39 on issues and activities necessary for the administration of the compact
40 as well as issues and activities pertaining to compliance with this
41 compact and its bylaws and rules.

42 (b) Upon the request of a compacting state, the interstate

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1 commission shall attempt to resolve any disputes or other issues that
2 are subject to the compact and that may arise between compacting
3 states and noncompacting states. The interstate commission shall adopt
4 a rule providing for mediation and binding dispute resolution for
5 disputes among the compacting states.

6 (c) The interstate commission, in the reasonable exercise of its
7 discretion, shall enforce this compact and rules of this compact as set
8 forth in Article X of this compact.

9 ARTICLE VII
10 FINANCE

11 (a) The interstate commission shall pay or provide for the payment
12 of the reasonable expenses of its establishment, organization, and
13 ongoing activities.

14 (b) The interstate commission shall levy and collect an annual
15 assessment from each compacting state to cover the cost of the internal
16 operations and activities of the interstate commission and its staff that
17 must be in a total amount sufficient to cover the interstate commission's
18 annual budget as approved each year. The total annual assessment
19 amount shall be allocated based upon a formula to be determined by
20 the interstate commission, taking into consideration the population of
21 the compacting state and the volume of interstate movement of
22 juveniles in each compacting state, and shall adopt a rule binding upon
23 all compacting states that governs the assessment.

24 (c) The interstate commission may not incur any obligation of any
25 kind before securing the funds adequate to meet the obligation, nor
26 may the interstate commission pledge the credit of any compacting
27 state except by and with the authority of the compacting state.

28 (d) The interstate commission shall keep accurate accounts of all
29 receipts and disbursements. The receipts and disbursements of the
30 interstate commission are subject to the audit and accounting
31 procedures established under its bylaws. However, all receipts and
32 disbursements of funds handled by the interstate commission shall be
33 audited yearly by a certified or licensed public accountant, and the
34 report of the audit must be included in and become part of the annual
35 report of the interstate commission.

36 ARTICLE VIII
37 THE STATE COUNCIL

38 Each member state shall create a state council for interstate juvenile
39 supervision. While each state may determine the membership of its
40 own state council, its membership must include at least one (1)
41 representative from the legislative, judicial, and executive branches of
42 government and victims groups and the compact administrator, deputy

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1 compact administrator, or designee. Each compacting state retains the
2 right to determine the qualifications of the compact administrator or
3 deputy compact administrator. Each state council shall advise and may
4 exercise oversight and advocacy concerning the state's participation in
5 interstate commission activities and other duties as may be determined
6 by that state, including, but not limited to, the development of policy
7 concerning operations and procedures of the compact within that state.

8 ARTICLE IX

9 COMPACTING STATES

10 (a) Any state, the District of Columbia (or its designee), the
11 Commonwealth of Puerto Rico, the United States Virgin Islands,
12 Guam, American Samoa, and the Northern Mariana Islands is eligible
13 to become a compacting state.

14 (b) The compact becomes effective and binding upon legislative
15 enactment of the compact into law by at least thirty-five (35) states.
16 The initial effective date is the later of July 1, 2004, or upon enactment
17 into law by the thirty-fifth jurisdiction. Thereafter, the compact
18 becomes effective and binding on any other compacting state upon
19 enactment of the compact into law by that state. The governors of
20 nonmember states or their designees are invited to participate in
21 interstate commission activities on a nonvoting basis before adoption
22 of the compact by all states and territories of the United States.

23 (c) Amendments to the compact may be proposed by the interstate
24 commission for enactment by the compacting states. No amendment
25 becomes effective and binding upon the interstate commission and the
26 compacting states unless and until it is enacted into law by unanimous
27 consent of the compacting states.

28 ARTICLE X

29 WITHDRAWAL, DEFAULT, TERMINATION, AND JUDICIAL
30 ENFORCEMENT

31 Part A. Withdrawal

32 (a) Once effective, the compact continues in force and remains
33 binding upon every compacting state. A compacting state may
34 withdraw from the compact by enacting a statute specifically repealing
35 the statute that enacted the compact into law.

36 (b) The effective date of withdrawal is the effective date of the
37 repeal.

38 (c) The withdrawing state shall immediately notify the chairperson
39 of the interstate commission in writing upon the introduction of
40 legislation repealing this compact in the withdrawing state. The
41 interstate commission shall notify the other compacting states of the
42 withdrawing state's intent to withdraw not later than sixty (60) days

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after receiving the written notice.

(d) The withdrawing state is responsible for all assessments, obligations, and liabilities incurred through the effective date of withdrawal, including any obligations the performance of which extends beyond the effective date of withdrawal.

(e) Reinstatement following withdrawal of any compacting state occurs upon the withdrawing state reenacting the compact or upon later date as determined by the interstate commission.

Part B. Technical Assistance, Fines, Suspension, Termination and Default

(a) If the interstate commission determines that any compacting state has at any time defaulted in the performance of any of its obligations or responsibilities under this compact, the bylaws, or any adopted rules, the interstate commission may impose any or all of the following penalties:

- (1) Remedial training and technical assistance as directed by the interstate commission.
- (2) Alternative dispute resolution.
- (3) Fines, fees, and costs levied upon the county responsible for the default or upon the state, if the state is responsible for the default, in amounts considered reasonable as fixed by the interstate commission.
- (4) Suspension or termination of membership as described in subsection (b).

(b) Suspension or termination of membership in the compact may be imposed only after all other reasonable means of securing compliance under the bylaws and rules have been exhausted. Immediate notice of suspension shall be given by the interstate commission to the governor, the chief justice or the chief judicial officer of the state, the majority and minority leaders of the defaulting state's legislature, and the state council.

(c) The grounds for default include, but are not limited to, failure of a compacting state to perform the obligations or responsibilities imposed upon it by this compact, interstate commission bylaws, or adopted rules. The interstate commission shall immediately notify the defaulting state in writing of the penalty imposed by the interstate commission on the defaulting state pending a cure of the default. The interstate commission shall stipulate the conditions the defaulting state must meet to cure its default, and specify the time when these conditions must be met. If the defaulting state fails to cure the default within the time specified by the interstate commission, in addition to any other penalties imposed in this compact, the defaulting state may

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1 be terminated from the compact upon an affirmative vote of a majority
2 of the compacting states, and all rights, privileges, and benefits
3 conferred by this compact are terminated from the effective date of
4 suspension.

5 (d) Within sixty (60) days of the effective date of termination of a
6 defaulting state, the interstate commission shall notify the governor, the
7 chief justice or the chief judicial officer of the state, the majority and
8 minority leaders of the defaulting state's legislature, and the state
9 council of the termination.

10 (e) The defaulting state is responsible for all assessments,
11 obligations, and liabilities incurred through the effective date of
12 termination, including any obligations that extend beyond the effective
13 date of termination.

14 (f) The interstate commission shall not bear any costs relating to the
15 defaulting state unless otherwise mutually agreed upon between the
16 interstate commission and the defaulting state.

17 (g) Reinstatement following termination of any compacting state
18 requires both a reenactment of the compact by the defaulting state and
19 the approval of the interstate commission under the rules.

20 Part C. Judicial Enforcement

21 The interstate commission may, by majority vote of the members,
22 initiate legal action in the United States District Court for the District
23 of Columbia or, at the discretion of the interstate commission, in the
24 federal district where the interstate commission has its offices, to
25 enforce compliance with this compact and its adopted rules and bylaws
26 against any compacting state in default. If judicial enforcement is
27 necessary, the prevailing party shall be awarded all costs of the
28 litigation including reasonable attorney's fees.

29 Part D. Dissolution of Compact

30 (a) This compact dissolves effective on the date of the withdrawal
31 or default of the compacting state that reduces membership in the
32 compact to one (1) compacting state.

33 (b) Upon this dissolution of this compact, the compact becomes
34 void and is of no further force or effect, and the business and affairs of
35 the interstate commission shall be concluded and any surplus funds
36 shall be distributed in accordance with the bylaws.

37 ARTICLE XI

38 SEVERABILITY AND CONSTRUCTION

39 (a) The provisions of this compact are severable, and if any phrase,
40 clause, sentence, or provision is considered unenforceable, the
41 remaining provisions of the compact are enforceable.

42 (b) The provisions of this compact shall be liberally constructed to

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1 effectuate its purposes.

2 ARTICLE XII

3 BINDING EFFECT OF COMPACT AND OTHER LAWS

4 Part A. Other Laws

5 (a) Nothing in this compact prevents the enforcement of any other
6 law of a compacting state that is not inconsistent with this compact.

7 (b) All compacting states' laws other than state constitutions and
8 other interstate compacts conflicting with this compact are superseded
9 to the extent of the conflict.

10 Part B. Binding Effects of the Compact

11 (a) All lawful actions of the interstate commission, including all
12 rules and bylaws adopted by the interstate commission, are binding
13 upon the compacting states.

14 (b) All agreements between the interstate commission and the
15 compacting states are binding in accordance with their terms.

16 (c) Upon the request of a party to a conflict over meaning or
17 interpretation of interstate commission actions, and upon a majority
18 vote of the compacting states, the interstate commission may issue
19 advisory opinions regarding the meaning or interpretation.

20 (d) Any provision of this compact that violates the Constitution of
21 the State of Indiana is ineffective in Indiana.

22 SECTION 79. IC 11-13-9-2, AS AMENDED BY P.L.228-2011,
23 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
24 UPON PASSAGE]: Sec. 2. (a) As used in this section, **the years of an
25 inmate's confinement is are "consecutive"** if:

- 26 (1) the inmate has remained in the continuous custody of the
- 27 department for the requisite length of time; or
- 28 (2) the inmate would have remained in the continuous custody of
- 29 the department for the requisite length of time, but:

30 (A) was released from the custody of the department on the
31 basis of an erroneous court order; and

32 (B) returned to the custody of the department not later than
33 seventy-two (72) hours after the erroneous court order was
34 rescinded.

35 (b) Notwithstanding any other law, as soon as practicable after an
36 inmate has been confined to the custody of the department for:

- 37 (1) twenty-five (25) consecutive years;
- 38 (2) twenty-four (24) consecutive years if the inmate has received
- 39 one (1) year of credit time under IC 35-50-6-3.3;
- 40 (3) twenty-three (23) consecutive years if the inmate has received
- 41 two (2) years of credit time under IC 35-50-6-3.3;
- 42 (4) twenty-two (22) consecutive years if the inmate has received

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1 three (3) years of credit time under IC 35-50-6-3.3; or
2 (5) twenty-one (21) consecutive years if the inmate has received
3 four (4) years of credit time under IC 35-50-6-3.3;
4 the department shall identify the inmate to the parole board and provide
5 the parole board with the inmate's offender progress report.

6 SECTION 80. IC 12-7-2-34, AS AMENDED BY P.L.1-2007,
7 SECTION 105, IS AMENDED TO READ AS FOLLOWS
8 [EFFECTIVE UPON PASSAGE]: Sec. 34. "Commission" means the
9 following:

10 (1) For purposes of IC 12-10-2, the meaning set forth in
11 IC 12-10-2-1.

12 (2) For purposes of IC 12-11-7, the meaning set forth in
13 IC 12-11-7-1.

14 (3) For purposes of IC 12-12-2, the meaning set forth in
15 IC 12-12-2-1.

16 (4) For purposes of IC 12-13-14, the meaning set forth in
17 IC 12-13-14-1.

18 **(5) For purposes of IC 12-15-46-2, the meaning set forth in**
19 **IC 12-15-46-2(a).**

20 ~~(5) (6)~~ For purposes of IC 12-21-6.5, the meaning set forth in
21 IC 12-21-6.5-1.

22 ~~(6) (7)~~ For purposes of IC 12-28-1, the meaning set forth in
23 IC 12-28-1-3.

24 SECTION 81. IC 12-7-2-44, AS AMENDED BY P.L.197-2011,
25 SECTION 39, AND AS AMENDED BY P.L.229-2011, SECTION
26 106, IS CORRECTED AND AMENDED TO READ AS FOLLOWS
27 [EFFECTIVE UPON PASSAGE]: Sec. 44. "Council" means the
28 following:

29 (1) For purposes of IC 12-9-4, the meaning set forth in
30 IC 12-9-4-1.

31 (2) For purposes of IC 12-12-8, the meaning set forth in
32 IC 12-12-8-2.5.

33 (3) For purposes of IC 12-13-4, the meaning set forth in
34 IC 12-13-4-1.

35 ~~(4) For purposes of IC 12-15-41 and IC 12-15-42, the Medicaid~~
36 ~~work incentives council established by IC 12-15-42-1.~~

37 ~~(5) (4)~~ For purposes of IC 12-12.7-2, the meaning set forth in
38 IC 12-12.7-2-2.

39 ~~(6) (5)~~ For purposes of IC 12-21-4, the meaning set forth in
40 IC 12-21-4-1.

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

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1 SECTION 82. IC 12-7-2-69, AS AMENDED BY P.L.229-2011,
 2 SECTION 108, IS AMENDED TO READ AS FOLLOWS
 3 [EFFECTIVE UPON PASSAGE]: Sec. 69. (a) "Division", except as
 4 provided in subsections (b) and (c), refers to any of the following:

5 (1) The division of disability and rehabilitative services
 6 established by IC 12-9-1-1.

7 (2) The division of aging established by IC 12-9.1-1-1.

8 (3) The division of family resources established by IC 12-13-1-1.

9 (4) The division of mental health and addiction established by
 10 IC 12-21-1-1.

11 (b) The term refers to the following:

12 (1) For purposes of the following statutes, the division of
 13 disability and rehabilitative services established by IC 12-9-1-1:

14 (A) IC 12-9.

15 (B) IC 12-11.

16 (C) IC 12-12.

17 (D) IC 12-12.5.

18 (E) IC 12-12.7.

19 **(F) IC 12-15-46-2.**

20 ~~(F)~~ **(G) IC 12-28-5.**

21 (2) For purposes of the following statutes, the division of aging
 22 established by IC 12-9.1-1-1:

23 (A) IC 12-9.1.

24 (B) IC 12-10.

25 (3) For purposes of the following statutes, the division of family
 26 resources established by IC 12-13-1-1:

27 (A) IC 12-13.

28 (B) IC 12-14.

29 (C) IC 12-15.

30 (D) IC 12-16.

31 (E) IC 12-17.2.

32 (F) IC 12-18.

33 (G) IC 12-19.

34 (H) IC 12-20.

35 (4) For purposes of the following statutes, the division of mental
 36 health and addiction established by IC 12-21-1-1:

37 (A) IC 12-21.

38 (B) IC 12-22.

39 (C) IC 12-23.

40 (D) IC 12-25.

41 (c) With respect to a particular state institution, the term refers to
 42 the division whose director has administrative control of and

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1 responsibility for the state institution.

2 (d) For purposes of IC 12-24, IC 12-26, and IC 12-27, the term
3 refers to the division whose director has administrative control of and
4 responsibility for the appropriate state institution.

5 SECTION 83. IC 12-7-2-82.4, AS ADDED BY P.L.160-2011,
6 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
7 UPON PASSAGE]: Sec. 82.4. "Family planning services", for purposes
8 of ~~IC 12-15-45-1~~, **IC 12-15-46-1**, has the meaning set forth in
9 ~~IC 12-15-45-1(a)~~. **IC 12-15-46-1(a)**.

10 SECTION 84. IC 12-7-2-85.1, AS ADDED BY P.L.160-2011,
11 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
12 UPON PASSAGE]: Sec. 85.1. "Fertilization", for purposes of
13 ~~IC 12-15-45-1~~, **IC 12-15-46-1**, has the meaning set forth in
14 ~~IC 12-15-45-1(b)~~. **IC 12-15-46-1(b)**.

15 SECTION 85. IC 12-7-2-186.2 IS ADDED TO THE INDIANA
16 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
17 [EFFECTIVE UPON PASSAGE]: **Sec. 186.2. "State plan
18 amendment", for purposes of IC 12-15-46-1, has the meaning set
19 forth in IC 12-15-46-1(c).**

20 SECTION 86. IC 12-7-2-199.8 IS ADDED TO THE INDIANA
21 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
22 [EFFECTIVE UPON PASSAGE]: **Sec. 199.8. As used in
23 IC 12-15-46-2, "waiver" has the meaning set forth in
24 IC 12-15-46-2(c).**

25 SECTION 87. IC 12-9-3-1 IS REPEALED [EFFECTIVE JULY 1,
26 2012]. ~~Sec. 1. Except as provided in IC 4-15-2-3.8, IC 4-15-2 applies
27 to all employees of the division.~~

28 SECTION 88. IC 12-9.1-3-1 IS REPEALED [EFFECTIVE JULY
29 1, 2012]. ~~Sec. 1. Except as provided in IC 4-15-2-3.8, IC 4-15-2 applies
30 to all employees of the division.~~

31 SECTION 89. IC 12-10-6-2.1, AS AMENDED BY P.L.143-2011,
32 SECTION 11, AND AS AMENDED BY P.L.229-2011, SECTION
33 119, IS CORRECTED AND AMENDED TO READ AS FOLLOWS
34 [EFFECTIVE UPON PASSAGE]: Sec. 2.1. (a) An individual who is
35 incapable of residing in the individual's own home may apply for
36 residential care assistance under this section. The determination of
37 eligibility for residential care assistance is the responsibility of the
38 division. Except as provided in *subsections (g) and (i)*, *subsection (h)*,
39 an individual is eligible for residential care assistance if the division
40 determines that the individual:

- 41 (1) is a recipient of Medicaid or the federal Supplemental Security
42 Income program;



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- 1 (2) is incapable of residing in the individual's own home because
- 2 of dementia, mental illness, or a physical disability;
- 3 (3) requires a degree of care less than that provided by a health
- 4 care facility licensed under IC 16-28;
- 5 (4) can be adequately cared for in a residential care setting; and
- 6 (5) has not made any asset transfer prohibited under the state plan
- 7 or in 42 U.S.C. 1396p(c) in order to be eligible for Medicaid.
- 8 (b) Individuals with mental retardation may not be admitted to a
- 9 home or facility that provides residential care under this section.
- 10 (c) A service coordinator employed by the division may:
- 11 (1) evaluate a person seeking admission to a home or facility
- 12 under subsection (a); or
- 13 (2) evaluate a person who has been admitted to a home or facility
- 14 under subsection (a), including a review of the existing
- 15 evaluations in the person's record at the home or facility.
- 16 If the service coordinator determines the person evaluated under this
- 17 subsection has mental retardation, the service coordinator may
- 18 recommend an alternative placement for the person.
- 19 (d) Except as provided in section 5 of this chapter, residential care
- 20 consists of only room, board, and laundry, along with minimal
- 21 administrative direction. *State financial assistance may be provided for*
- 22 *such care in a boarding or residential home of the applicant's*
- 23 *choosing that is licensed under IC 16-28 or a Christian Science facility*
- 24 *listed and certified by the Commission for Accreditation of Christian*
- 25 *Science Nursing Organizations/Facilities, Inc., that meets certain life*
- 26 *safety standards considered necessary by the state fire marshal.*
- 27 *Payment for such care shall be made to the provider of the care*
- 28 *according to division directives and supervision. The amount of*
- 29 *nonmedical assistance to be paid on behalf of a recipient living in a*
- 30 *boarding home, residential home, or Christian Science facility shall be*
- 31 *based on the daily rate established by the division. The rate for*
- 32 *facilities that are referred to in this section and licensed under*
- 33 *IC 16-28 may not exceed an upper rate limit established by a rule*
- 34 *adopted by the division.* The recipient may retain from the recipient's
- 35 income a monthly personal allowance of fifty-two dollars (\$52). This
- 36 amount is exempt from income eligibility consideration by the division
- 37 and may be exclusively used by the recipient for the recipient's
- 38 personal needs. However, if the recipient's income is less than the
- 39 amount of the personal allowance, the division shall pay to the
- 40 recipient the difference between the amount of the personal allowance
- 41 and the recipient's income. A reserve or an accumulated balance from
- 42 such a source, together with other sources, may not be allowed to

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1 exceed the state's resource allowance allowed for adults eligible for
 2 state supplemental assistance or Medicaid as established by the rules
 3 of the office of Medicaid policy and planning.

4 (e) In addition to the amount that may be retained as a personal
 5 allowance under this section, an individual shall be allowed to retain
 6 an amount equal to the individual's state and local income tax liability.
 7 The amount that may be retained during a month may not exceed
 8 one-third (1/3) of the individual's state and local income tax liability for
 9 the calendar quarter in which that month occurs. This amount is
 10 exempt from income eligibility consideration by the division. The
 11 amount retained shall be used by the individual to pay any state or local
 12 income taxes owed.

13 (f) In addition to the amounts that may be retained under
 14 subsections (d) and (e), an eligible individual may retain a Holocaust
 15 victim's settlement payment. The payment is exempt from income
 16 eligibility consideration by the division.

17 *(g) The rate of payment to the provider shall be determined in*
 18 *accordance with a prospective prenegotiated payment rate predicated*
 19 *on a reasonable cost related basis; with a growth of profit factor; as*
 20 *determined in accordance with generally accepted accounting*
 21 *principles and methods; and written standards and criteria, as*
 22 *established by the division. The division shall establish an*
 23 *administrative appeal procedure to be followed if rate disagreement*
 24 *occurs if the provider can demonstrate to the division the necessity of*
 25 *costs in excess of the allowed or authorized fee for the specific*
 26 *boarding or residential home. The amount may not exceed the*
 27 *maximum established under subsection (d).*

28 ~~(g)~~ (g) The personal allowance for one (1) month for an individual
 29 described in subsection (a) is the amount that an individual would be
 30 entitled to retain under subsection (d) plus an amount equal to one-half
 31 (1/2) of the remainder of:

- 32 (1) gross earned income for that month; minus
- 33 (2) the sum of:
 - 34 (A) sixteen dollars (\$16); plus
 - 35 (B) the amount withheld from the person's paycheck for that
 - 36 month for payment of state income tax, federal income tax,
 - 37 and the tax prescribed by the federal Insurance Contribution
 - 38 Act (26 U.S.C. 3101 et seq.); plus
 - 39 (C) transportation expenses for that month; plus
 - 40 (D) any mandatory expenses required by the employer as a
 - 41 condition of employment.

42 ~~(h)~~ (h) An individual who, before September 1, 1983, has been

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1 admitted to a home or facility that provides residential care under this
2 section is eligible for residential care in the home or facility.

3 ~~fj~~ (i) The director of the division may contract with the division of
4 mental health and addiction or the division of disability and
5 rehabilitative services to purchase services for individuals with a
6 mental illness or a developmental disability by providing money to
7 supplement the appropriation for community based residential care
8 programs established under IC 12-22-2 or community based residential
9 programs established under IC 12-11-1.1-1.

10 ~~fj~~ (j) A person with a mental illness may not be placed in a
11 Christian Science facility listed and certified by the Commission for
12 Accreditation of Christian Science Nursing Organizations/Facilities,
13 Inc., unless the facility is licensed under IC 16-28.

14 SECTION 90. IC 12-12-1-6 IS AMENDED TO READ AS
15 FOLLOWS [EFFECTIVE JULY 1, 2012]: Sec. 6. The bureau shall,
16 upon request of an applicant for state civil service (as defined in
17 ~~IC 4-15-2-3.8~~; **IC 4-15-2.2-10**), determine whether the applicant is an
18 individual with a disability (as defined in ~~IC 4-15-2-19.5~~) who is
19 eligible to be certified **appointed** under ~~IC 4-15-2-19.5(b)~~.
20 **IC 4-15-2.2-33.**

21 SECTION 91. IC 12-13-3-1 IS REPEALED [EFFECTIVE JULY 1,
22 2012]. ~~Sec. 1. Except as provided in IC 4-15-2-3.8, IC 4-15-2 applies~~
23 ~~to all employees of the division.~~

24 SECTION 92. IC 12-15-20.7-2, AS AMENDED BY P.L.229-2011,
25 SECTION 141, IS AMENDED TO READ AS FOLLOWS
26 [EFFECTIVE UPON PASSAGE]: Sec. 2. (a) This section does not
27 apply during the period that the office is assessing a hospital fee
28 authorized by HEA 1001-2011. For each state fiscal year ending before
29 July 1, 2005, and subject to section 3 of this chapter (**repealed**), the
30 office shall make the payments identified in this section in the
31 following order:

- 32 (1) First, payments under IC 12-15-15-9 and IC 12-15-15-9.5.
- 33 (2) Second, payments under clauses (A) and (B) of STEP FIVE of
34 IC 12-15-15-1.5(b).
- 35 (3) Third, Medicaid inpatient payments for safety-net hospitals
36 and Medicaid outpatient payments for safety-net hospitals.
- 37 (4) Fourth, payments under IC 12-15-15-1.1 and IC 12-15-15-1.3.
- 38 (5) Fifth, payments under IC 12-15-19-8 for municipal
39 disproportionate share hospitals.
- 40 (6) Sixth, payments under IC 12-15-19-2.1 for disproportionate
41 share hospitals.
- 42 (7) Seventh, payments under clause (C) of STEP FIVE of

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1 IC 12-15-15-1.5(b).

2 (b) For each state fiscal year ending after June 30, 2007, the office
3 shall make the payments for the programs identified in
4 IC 12-15-20-2(8)(G) in the order of priority that best utilizes available
5 non-federal share, Medicaid supplemental payments, and Medicaid
6 disproportionate share payments, and may change the order or priority
7 at any time as necessary for the proper administration of one (1) or
8 more of the payment programs listed in IC 12-15-20-2(8)(G).

9 SECTION 93. IC 12-15-45, AS ADDED BY P.L.160-2011,
10 SECTION 16, IS REPEALED [EFFECTIVE UPON PASSAGE].
11 (Medicaid Waivers and State Plan Amendments).

12 SECTION 94. IC 12-15-45, AS ADDED BY P.L.229-2011,
13 SECTION 144, IS REPEALED [EFFECTIVE UPON PASSAGE].
14 (Medicaid Waiver: Developmental Disabilities Home and Community
15 Based Services).

16 SECTION 95. IC 12-15-46 IS ADDED TO THE INDIANA CODE
17 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE
18 UPON PASSAGE]:

19 **Chapter 46. Medicaid Waivers and State Plan Amendments**

20 **Sec. 1. (a) As used in this section, "family planning services"**
21 **does not include the performance of abortions or the use of a drug**
22 **or device intended to terminate fertilization.**

23 **(b) As used in this section, "fertilization" means the joining of**
24 **a human egg cell with a human sperm cell.**

25 **(c) As used in this section, "state plan amendment" refers to an**
26 **amendment to Indiana's Medicaid State Plan as authorized by**
27 **Section 1902(a)(10)(A)(ii)(XXI) of the federal Social Security Act**
28 **(42 U.S.C. 1315).**

29 **(d) Before January 1, 2012, the office shall do the following:**

30 **(1) Apply to the United States Department of Health and**
31 **Human Services for approval of a state plan amendment to**
32 **expand the population eligible for family planning services**
33 **and supplies as permitted by Section 1902(a)(10)(A)(ii)(XXI)**
34 **of the federal Social Security Act (42 U.S.C. 1315). In**
35 **determining what population is eligible for this expansion, the**
36 **state must incorporate the following:**

37 **(A) Inclusion of women and men.**

38 **(B) Setting income eligibility at one hundred thirty-three**
39 **percent (133%) of the federal income poverty level.**

40 **(C) Adopting presumptive eligibility for services to this**
41 **population.**

42 **(2) Consider the inclusion of additional:**

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1 (A) medical diagnosis; and
 2 (B) treatment services;
 3 that are provided for family planning services in a family
 4 planning setting for the population designated in subdivision
 5 (1) in the state plan amendment.
 6 (e) The office shall report concerning its proposed state plan
 7 amendment to the select joint commission on Medicaid oversight
 8 established by IC 2-5-26-3 during the commission's 2011 interim
 9 meetings. The select joint commission on Medicaid oversight shall
 10 review the proposed state plan amendment and may make an
 11 advisory recommendation to the office concerning the proposed
 12 state plan amendment.
 13 (f) The office may adopt rules under IC 4-22-2 to implement this
 14 section.
 15 (g) This section expires January 1, 2016.
 16 Sec. 2. (a) As used in this section, "commission" refers to the
 17 select joint commission on Medicaid oversight established by
 18 IC 2-5-26-3.
 19 (b) As used in this section, "division" refers to the division of
 20 disability and rehabilitative services established by IC 12-9-1-1.
 21 (c) As used in this chapter, "waiver" refers to the federal
 22 Medicaid developmental disabilities home and community based
 23 services waiver program that is administered by the office and the
 24 division.
 25 (d) Before July 1, 2012, the division shall report orally and in
 26 writing to the commission for review of a plan to reduce the
 27 aggregate and per capita cost of the waiver by implementing
 28 changes to the waiver, which may include the following:
 29 (1) Calculating budget neutrality on an individual rather than
 30 an aggregate basis.
 31 (2) Instituting a family care program to provide recipients
 32 with another option for receiving services.
 33 (3) Evaluating the current system to determine whether a
 34 group home or a waiver home is the most appropriate use of
 35 resources for placement of the individual.
 36 (4) Evaluating alternative placements for high cost individuals
 37 to ensure individuals are served in the most integrated setting
 38 appropriate to the individual's needs and within the resources
 39 available to the state.
 40 (5) Migrating individuals from the waiver to a redesigned
 41 waiver that provides options to individuals for receiving
 42 services and supports appropriate to meet the individual's

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1 needs and that are cost effective and high quality and focus on
2 social and health outcomes.

3 (6) Requiring cost participation by a recipient whose family
4 income exceeds five hundred percent (500%) of the federal
5 income poverty level, factoring in medical expenses and
6 personal care needs expenses of the recipient.

7 (e) After the division makes the report required under
8 subsection (d), the division may consult with the office and take any
9 action necessary to carry out the requirements of this section,
10 including applying to the federal Department of Health and
11 Human Services for approval to amend the waiver.

12 SECTION 96. IC 12-21-3-1 IS REPEALED [EFFECTIVE JULY 1,
13 2012]. Sec. 1. Except as provided in IC 4-15-2-3.8, IC 4-15-2 applies
14 to all employees of the division.

15 SECTION 97. IC 12-22-2-0.3, AS ADDED BY P.L.220-2011,
16 SECTION 273, IS AMENDED TO READ AS FOLLOWS
17 [EFFECTIVE UPON PASSAGE]: Sec. 0.3. (a) This section applies to
18 the four (4) sub-acute stabilization programs implemented under
19 the subdivision (1) added by P.L.62-1993 to IC 12-22-2-3
20 (repealed).

21 (b) If the division determines that any one (1) of the four (4)
22 sub-acute stabilization programs implemented under IC 12-22-2-3(1);
23 as added by P.L.62-1993; is not successful, the division shall terminate
24 operation of the unsuccessful program. The division may not expand
25 the number of sub-acute stabilization programs or change the location
26 of a program without approval from the general assembly.

27 SECTION 98. IC 12-24-3-1 IS REPEALED [EFFECTIVE JULY 1,
28 2012]. Sec. 1. Except as provided in IC 4-15-2-3.8, IC 4-15-2 applies
29 to all employees of a state institution.

30 SECTION 99. IC 12-28-5-10, AS AMENDED BY P.L.197-2011,
31 SECTION 45, AND AS AMENDED BY P.L.229-2011, SECTION
32 149, IS CORRECTED AND AMENDED TO READ AS FOLLOWS
33 [EFFECTIVE UPON PASSAGE]: Sec. 10. *In conjunction with the* The
34 *division of disability and rehabilitative services, the council* shall do
35 the following:

36 (1) Determine the current and projected needs of each geographic
37 area of Indiana for residential services for individuals with a
38 developmental disability *and, beginning July 1, 2012, annually*
39 *report the findings to the division of disability and rehabilitative*
40 *services advisory council established by IC 12-9-4-2.*

41 (2) Determine how the provision of developmental or vocational
42 services for residents in these geographic areas affects the

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1 availability of developmental or vocational services to individuals
 2 with a developmental disability living in their own homes *and,*
 3 *beginning July 1, 2012, report the findings to the division of*
 4 *disability and rehabilitative services advisory council established*
 5 *by IC 12-9-4-2.*

6 (3) Develop standards for licensure of supervised group living
 7 facilities regarding the following:

8 (A) A sanitary and safe environment for residents and
 9 employees.

10 (B) Classification of supervised group living facilities.

11 (C) Any other matters that will ensure that the residents will
 12 receive a residential environment.

13 (4) Develop standards for the approval of entities providing
 14 supported living services.

15 *(5) Recommend social and habilitation programs to the Indiana*
 16 *health facilities, home health care, and hospice council for*
 17 *individuals with a developmental disability who reside in health*
 18 *facilities licensed under IC 16-28.*

19 *(6) Develop and update semiannually a report that identifies the*
 20 *numbers of individuals with a developmental disability who live*
 21 *in health facilities licensed under IC 16-28. The Indiana health*
 22 *facilities, home health care, and hospice council shall assist in*
 23 *developing and updating this report.*

24 SECTION 100. IC 13-11-2-148, AS AMENDED BY P.L.159-2011,
 25 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 26 UPON PASSAGE]: Sec. 148. (a) "Operator", for purposes of
 27 IC 13-18-10, means the person in direct or responsible charge or
 28 control of one (1) or more confined feeding operations.

29 (b) "Operator", for purposes of IC 13-18-11 and environmental
 30 management laws, means the person in direct or responsible charge and
 31 supervising the operation of:

32 (1) a water treatment plant;

33 (2) a wastewater treatment plant; or

34 (3) a water distribution system.

35 (c) "Operator", for purposes of IC 13-20-6, means a corporation, a
 36 limited liability company, a partnership, a business association, a unit,
 37 or an individual who is a sole proprietor that is one (1) of the following:

38 (1) A broker.

39 (2) A person who manages the activities of a transfer station that
 40 receives municipal waste.

41 (3) A transporter.

42 (d) "Operator", for purposes of IC 13-23, except as provided in



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- 1 subsections (e), (g), and (h), means a person:
- 2 (1) in control of; or
- 3 (2) having responsibility for;
- 4 the daily operation of an underground storage tank.
- 5 (e) "Operator", for purposes of IC 13-23-13, does not include the
- 6 following:
- 7 (1) A person who:
- 8 (A) does not participate in the management of an underground
- 9 storage tank;
- 10 (B) is otherwise not engaged in the:
- 11 (i) production;
- 12 (ii) refining; and
- 13 (iii) marketing;
- 14 of regulated substances; and
- 15 (C) holds evidence of ownership, primarily to protect the
- 16 owner's security interest in the tank.
- 17 (2) A person that is a lender that did not participate in
- 18 management of an underground storage tank before foreclosure,
- 19 notwithstanding that the person:
- 20 (A) forecloses on the vessel or facility; and
- 21 (B) after foreclosure, sells, re-leases (in the case of a lease
- 22 finance transaction), or liquidates the underground storage
- 23 tank, maintains business activities, winds up operations,
- 24 undertakes a response action under Section 107(d)(1) of
- 25 CERCLA (42 U.S.C. 9607(d)(1)) or under the direction of an
- 26 on-scene coordinator appointed under the National
- 27 Contingency Plan with respect to the underground storage
- 28 tank, or takes any other measure to preserve, protect, or
- 29 prepare the underground storage tank prior to sale or
- 30 disposition;
- 31 if the person seeks to sell, re-lease (in the case of a lease finance
- 32 transaction), or otherwise divest the person of the underground
- 33 storage tank at the earliest practicable, commercially reasonable
- 34 time, on commercially reasonable terms, taking into account
- 35 market conditions and legal and regulatory requirements.
- 36 (3) A person who:
- 37 (A) does not own or lease, directly or indirectly, the facility or
- 38 business at which the underground storage tank is located;
- 39 (B) does not participate in the management of the facility or
- 40 business described in clause (A); and
- 41 (C) is engaged only in:
- 42 (i) filling;

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- 1 (ii) gauging; or
- 2 (iii) filling and gauging;
- 3 the product level in the course of delivering fuel to an
- 4 underground storage tank.
- 5 (4) A political subdivision (as defined in IC 36-1-2-13) or unit of
- 6 federal or state government that:
- 7 (A) acquires ownership or control of an underground storage
- 8 tank on a brownfield because of:
- 9 (i) bankruptcy;
- 10 (ii) foreclosure;
- 11 (iii) tax delinquency, including an acquisition under
- 12 IC 6-1.1-24 or IC 6-1.1-25;
- 13 (iv) abandonment;
- 14 (v) the exercise of eminent domain, including any purchase
- 15 of property once an offer to purchase has been tendered
- 16 under IC 32-24-1-5;
- 17 (vi) receivership;
- 18 (vii) transfer from another political subdivision or unit of
- 19 federal or state government;
- 20 (viii) acquiring an area needing redevelopment (as defined
- 21 in IC 36-7-1-3) or conducting redevelopment activities,
- 22 specifically under IC 36-7-14-22.2, IC 36-7-14-22.5,
- 23 IC 36-7-15.1-15.1, IC 36-7-15.1-15.2, and
- 24 IC 36-7-15.1-15.5;
- 25 (ix) other circumstances in which the political subdivision
- 26 or unit of federal or state government involuntarily acquired
- 27 an interest in the property because of the political
- 28 subdivision's or unit's function as sovereign; or
- 29 (x) any other means to conduct remedial actions on a
- 30 brownfield; and
- 31 (B) is engaged only in activities in conjunction with:
- 32 (i) investigation or remediation of hazardous substances,
- 33 petroleum, and other pollutants associated with a
- 34 brownfield, including complying with land use restrictions
- 35 and institutional controls; or
- 36 (ii) monitoring or closure of an underground storage tank;
- 37 unless existing contamination on the brownfield is exacerbated
- 38 due to gross negligence or intentional misconduct by the
- 39 political subdivision or unit of federal or state government.
- 40 (f) For purposes of subsection ~~(e)(3)(B)~~; **(e)(4)(B)**, reckless, willful,
- 41 or wanton misconduct constitutes gross negligence.
- 42 (g) "Operator" does not include a person that after June 30, 2009,

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1 meets, for purposes of the determination under IC 13-23-13 of liability
2 for a release from an underground storage tank, the exemption criteria
3 under Section 107(q) of CERCLA (42 U.S.C. 9607(q)) that apply for
4 purposes of the determination of liability for a release of a hazardous
5 substance.

6 (h) "Operator" does not include a person that meets, for purposes of
7 the determination under IC 13-23-13 of liability for a release from an
8 underground storage tank, the exemption criteria under Section 107(r)
9 of CERCLA (42 U.S.C. 9607(r)) that apply for purposes of the
10 determination of liability for a release of a hazardous substance, except
11 that the person acquires ownership of the facility after June 30, 2009.

12 SECTION 101. IC 13-13-4 IS REPEALED [EFFECTIVE JULY 1,
13 2012]. (Employees of Department).

14 SECTION 102. IC 13-13-7-9, AS AMENDED BY P.L.159-2011,
15 SECTION 13, AND AS AMENDED BY P.L.62-2011, SECTION 1, IS
16 CORRECTED AND AMENDED TO READ AS FOLLOWS
17 [EFFECTIVE UPON PASSAGE]: Sec. 9. The council shall do the
18 following:

- 19 (1) **Study: Conduct the following studies:**
- 20 (A) **Study** issues designated by the legislative council.
- 21 (B) *In 2011, study each program administered by the*
- 22 *department for which the program's annual cost of*
- 23 *administration exceeds the annual revenue generated by the*
- 24 *program and evaluate whether to recommend measures to*
- 25 *reduce or eliminate the excess cost. and*
- 26 ~~(B)~~ (C) **Study** the following in 2012:
- 27 (i) The effectiveness of the electronic waste provisions of
- 28 IC 13-20.5.
- 29 (ii) Appropriate guidelines for the Indiana recycling market
- 30 development board for determining under IC 13-20.5-2-2
- 31 whether a manufacturer has made good faith progress to
- 32 achieve substantial compliance with IC 13-20.5.
- 33 (2) Advise the commissioner on policy issues decided on by the
- 34 council.
- 35 (3) Review the mission and goals of the department and evaluate
- 36 the implementation of the mission.
- 37 (4) Serve as a council of the general assembly to evaluate:
- 38 (A) resources and structural capabilities of the department to
- 39 meet the department's priorities; and
- 40 (B) program requirements and resource requirements for the
- 41 department.
- 42 (5) Serve as a forum for citizens, the regulated community, and

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- 1 legislators to discuss broad policy directions.
- 2 (6) Review and discuss various topics related to the Great Lakes
- 3 and the Great Lakes watershed, including:
- 4 (A) the availability of federal funds for projects related to
- 5 water quality, supply, and protection;
- 6 (B) the extent of water consumption and use from the Great
- 7 Lakes, including the Great Lakes watershed;
- 8 (C) levels of water pollution and the sources affecting water
- 9 quality of the Great Lakes, including the Great Lakes
- 10 watershed;
- 11 (D) the impact of water quality and supply issues on
- 12 recreational activities and natural habitats;
- 13 (E) the impact of invasive species on the Great Lakes and the
- 14 Great Lakes watershed ecosystem;
- 15 (F) current laws and regulations affecting the Great Lakes,
- 16 including the Great Lakes—St. Lawrence River Basin Water
- 17 Resources Compact (IC 14-25-15);
- 18 (G) current laws, regulations, and infrastructure conditions
- 19 affecting shipping in the Great Lakes; and
- 20 (H) other matters relevant to the condition of the Great Lakes
- 21 and the Great Lakes Watershed.
- 22 ~~(6)~~ (7) Submit a final report to the legislative council, in a
- 23 electronic format under IC 5-14-6, that contains at least the
- 24 following:
- 25 (A) An outline of activities of the council.
- 26 (B) Recommendations for department action.
- 27 (C) Recommendations for legislative action.
- 28 SECTION 103. IC 13-14-9-8, AS AMENDED BY P.L.79-2011,
- 29 SECTION 1, AND AS AMENDED BY P.L.159-2011, SECTION 15,
- 30 IS CORRECTED AND AMENDED TO READ AS FOLLOWS
- 31 [EFFECTIVE UPON PASSAGE]: Sec. 8. (a) *Except as provided in*
- 32 *subsection (g)*, unless a board determines that a proposed rule should
- 33 be subject to additional comments or makes a determination described
- 34 in subsection (f), sections 2 through 7 and sections 9 through 14 of this
- 35 chapter do not apply to a rulemaking action if the commissioner
- 36 determines that:
- 37 (1) the proposed rule constitutes:
- 38 (A) an adoption or incorporation by reference of a federal law,
- 39 regulation, or rule that:
- 40 (i) is or will be applicable to Indiana; and
- 41 (ii) contains no amendments that have a substantive effect
- 42 on the scope or intended application of the federal law or

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- 1 rule;
- 2 (B) a technical amendment with no substantive effect on an
- 3 existing Indiana rule; or
- 4 (C) an amendment to an existing Indiana rule, the primary and
- 5 intended purpose of which is to clarify the existing rule; and
- 6 (2) the proposed rule is of such nature and scope that there is no
- 7 reasonably anticipated benefit to the environment or the persons
- 8 referred to in section 7(a)(2) of this chapter from the following:
- 9 (A) Exposing the proposed rule to diverse public comment
- 10 under section 3 or 4 of this chapter.
- 11 (B) Affording interested or affected parties the opportunity to
- 12 be heard under section 3 or 4 of this chapter.
- 13 (C) Affording interested or affected parties the opportunity to
- 14 develop evidence in the record collected under sections 3 and
- 15 4 of this chapter.
- 16 (b) If the commissioner makes a determination under subsection (a),
- 17 the commissioner shall prepare written findings under this section. The
- 18 full text of the commissioner's written findings shall be included in:
- 19 (1) the notice of adoption of the proposed rule; and
- 20 (2) the written materials to be considered by the board at the
- 21 public hearing held under this section.
- 22 (c) The notice of adoption of a proposed rule under this section
- 23 must:
- 24 (1) be published in the Indiana Register; and
- 25 (2) include the following:
- 26 (A) Draft rule language that includes the language described
- 27 in subsection (a)(1).
- 28 (B) A written comment period of at least thirty (30) days.
- 29 (C) A notice of public hearing before the appropriate board.
- 30 (d) The department shall include the following in the written
- 31 materials to be considered by the board at the public hearing referred
- 32 to in subsection (c):
- 33 (1) The full text of the proposed rule as most recently prepared by
- 34 the department.
- 35 (2) Written responses of the department to written comments
- 36 received during the comment period referred to in subsection (c).
- 37 (3) The commissioner's findings under subsection (b).
- 38 (e) At the public hearing referred to in subsection (c), the board
- 39 may:
- 40 (1) adopt the proposed rule;
- 41 (2) *adopt the proposed rule with amendments;*
- 42 ~~(3)~~ (3) reject the proposed rule;

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1 ~~(3)~~ (4) determine that additional public comment is necessary; or
 2 ~~(4)~~ (5) determine to reconsider the proposed rule at a subsequent
 3 board meeting.

4 (f) If the board determines under subsection (e) that additional
 5 public comment is necessary, the department shall publish a second
 6 notice in accordance with section 4 of this chapter and complete the
 7 rulemaking in accordance with this chapter.

8 (g) *If the board adopts the proposed rule with amendments under*
 9 *subsection (e)(2), the amendments must meet the logical outgrowth*
 10 *requirements of section 10 of this chapter, except that the board, in*
 11 *determining whether the amendments are a logical outgrowth of*
 12 *comments provided to the board, and in considering whether the*
 13 *language of comments provided to the board fairly apprised interested*
 14 *persons of the specific subjects and issues contained in the*
 15 *amendments, shall consider the comments provided to the board at the*
 16 *public hearing referred to in subsection (c)(2)(C).*

17 ~~(g)~~ (h) *This subsection applies to that part of a rule adopted under*
 18 *this section that directly corresponds to and is based on a federal law,*
 19 *rule, or regulation that is stayed or repealed, invalidated, vacated, or*
 20 *otherwise nullified by a legislative, an administrative, or a judicial*
 21 *action described in subdivision (1), (2), or (3). If:*

22 (1) *a proposed rule is adopted by a board under subsection (e)(1)*
 23 *based on a determination by the commissioner under subsection*
 24 *(a)(1)(A) and the federal law, rule, or regulation on which the*
 25 *adopted rule is based is later repealed or otherwise nullified by*
 26 *legislative or administrative action, then that part of the adopted*
 27 *rule that corresponds to the repealed or nullified federal law,*
 28 *rule, or regulation is void as of the effective date of the legislative*
 29 *or administrative action repealing or otherwise nullifying the*
 30 *federal law, rule, or regulation;*

31 (2) *a board adopts a proposed rule under subsection (e)(1) that*
 32 *is based on a determination by the commissioner under*
 33 *subsection (a)(1)(A) and the federal law, rule, or regulation on*
 34 *which the adopted rule is based is later invalidated, vacated, or*
 35 *otherwise nullified by a judicial decree, order, or judgment of a*
 36 *state or federal court whose decisions concerning such matters*
 37 *have force and effect in Indiana:*

38 (A) *then that part of the rule that corresponds to the*
 39 *invalidated, vacated, or otherwise nullified federal law, rule,*
 40 *or regulation shall not be enforced by the commissioner or*
 41 *any other person during the time in which an appeal of the*
 42 *judicial decree, order, or judgment can be commenced or is*

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pending; and
(B) either:
(i) that part of the adopted rule that corresponds to the
invalidated, vacated, or otherwise nullified federal law,
rule, or regulation is void as of the date that the judicial
decree, order, or judgment becomes final and
unappealable; or
(ii) enforcement of the adopted rule is restored if the
judicial decree, order, or judgment is reversed, vacated, or
otherwise nullified on appeal; and
(3) the federal law, regulation, or rule that is the basis of a rule
that is adopted under subsection (e)(1) and based on a
determination by the commissioner under subsection (a)(1)(A) is
stayed by an administrative or a judicial order pending an
administrative or a judicial action regarding the validity of the
federal law, rule, or regulation, the commissioner may suspend
the enforcement of that part of the adopted rule that corresponds
to the stayed federal law, rule, or regulation while the stay is in
force.

SECTION 104. IC 13-18-12-2.5, AS ADDED BY P.L.223-2011,
SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
UPON PASSAGE]: Sec. 2.5. (a) The department and the boards may
allow a person to use industrial waste products in a land application
operation or as ingredients in a soil amendment or soil substitute to be
land applied if:

- (1) the industrial waste products are not hazardous wastes;
 - (2) the industrial waste products:
 - (A) have a beneficial use (as defined in 327 IAC 6.1-2-6); or
 - (B) otherwise provide a benefit to the process of creating the
soil amendments or soil substitute or to the final soil
amendment, soil substitute, or material to be land applied,
such as bulking;
 - (3) the finished soil amendment, soil substitute, or material to be
land applied satisfies the applicable criteria in 327 IAC 6.1;
 - (4) the finished soil amendment, soil substitute, or material to be
land applied has a beneficial use;
 - (5) the requirements of subsection (b) are satisfied; and
 - (6) the person pays a permit fee in an amount determined by the
department that does not exceed the costs incurred by the
department to issue the permit.
- (b) The department:
- (1) may allow the use of industrial waste products:

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1 (A) in a land application operation; or
 2 (B) as ingredients in a soil amendment or soil substitute to be
 3 land applied;
 4 on the same basis as other materials under the rules concerning
 5 land application and marketing and distribution permits;
 6 (2) may not:
 7 (A) discriminate against the use of industrial waste products
 8 on the basis that the industrial waste products lack biological
 9 carbon;
 10 (B) impose requirements beyond applicable criteria in 327
 11 IAC 6.1, unless additional requirements are necessary for the
 12 protection of human health and the environment;
 13 (C) require that the finished soil amendment, soil substitute, or
 14 material to be land applied must be of a particular economic
 15 value; or
 16 (D) for any pollutant that has a pollutant limit or concentration
 17 in 327 IAC 6.1, require that an industrial waste product or the
 18 finished soil amendment, soil substitute, or material to be land
 19 applied satisfies:
 20 (i) the department's risk integrated system of closures
 21 nonrule policy document; or
 22 (ii) any other standards other than criteria in 327 IAC 6.1;
 23 and
 24 (3) for any pollutant present in the industrial waste products that
 25 does not have a pollutant limit or concentration in 327 IAC 6.1,
 26 shall consider the benefits of the finished soil amendment, soil
 27 substitute, or material to be land applied as compared to the
 28 measurable risks to human health and the environment based on
 29 the anticipated use of the finished soil amendment, soil substitute,
 30 or material to be land applied; and
 31 (4) shall require an application for a permit for the land
 32 application of industrial waste products to include
 33 characterization of individual industrial waste products at the
 34 point of waste generation before mixing the waste streams.
 35 (c) The board may adopt rules for pollutant limits or concentrations
 36 for pollutants for which limits or concentrations do not exist in 327
 37 IAC 6.1 as of July 1, 2011.
 38 SECTION 105. IC 14-34-19-1.5, AS ADDED BY P.L.165-2011,
 39 SECTION 28, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 40 UPON PASSAGE]: Sec. 1.5. (a) As used in this section, "fund" refers
 41 to the reclamation set-aside fund established by subsection (b).
 42 (b) The reclamation set-aside fund is established for **the** following

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- 1 purposes:
- 2 (1) The protection of public health and property from the extreme
- 3 danger of the adverse effects of coal mining practices.
- 4 (2) The assurance that safety and general welfare are not affected
- 5 by the extreme danger of adverse effects of coal mining practices.
- 6 (3) The protection of public health from the adverse effects of
- 7 coal mining practices.
- 8 (4) The assurance that safety and general welfare are not affected
- 9 by the adverse effects of coal mining practices.
- 10 (5) The restoration of land and water resources and the
- 11 environment previously degraded by adverse effects of coal
- 12 mining practices, including measures for the conservation and
- 13 development of soil, water, excluding channelization, woodland,
- 14 fish and wildlife, recreation resources, and agricultural
- 15 productivity.
- 16 (c) The department shall administer the fund.
- 17 (d) The fund consists of the following:
- 18 (1) Accrued interest and other investment earnings of the fund.
- 19 (2) Gifts, grants, donations, or appropriations from any source.
- 20 (e) Money in the fund does not revert to the state general fund at the
- 21 end of a state fiscal year.
- 22 (f) The treasurer of state shall invest the money in the fund not
- 23 currently needed to meet the obligations of the fund in the same
- 24 manner as other public money may be invested. Interest that accrues
- 25 from these investments shall be deposited in the fund.
- 26 SECTION 106. IC 14-37-4-8.5, AS ADDED BY P.L.140-2011,
- 27 SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 28 UPON PASSAGE]: Sec. 8.5. (a) For purposes of this section, "waste"
- 29 means locating, spacing, drilling, equipping, operating, or producing
- 30 a well for coal bed methane purposes in a manner that unreasonably
- 31 reduces or tends to unreasonably reduce the quantity of commercially
- 32 minable coal resources ultimately to be recovered from a mine.
- 33 (b) If ownership of coal bed methane is separate from ownership of
- 34 coal, no surface right or any other right pertaining to coal bed methane
- 35 and naturally flowing from the character of any instrument in law may
- 36 be exercised without the consent of the coal owner under subsection
- 37 (d)(2), unless the director makes a finding that the exercise of the right:
- 38 ~~will not:~~
- 39 (1) **will not** result in; ~~or and~~
- 40 (2) **does not** have the potential to result in;
- 41 any waste of a commercially minable coal resource or endangerment
- 42 of the health and safety of miners.

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1 (c) In making a finding under subsection (b), the director shall
2 consider whether the use of one (1) or more of the following may result
3 in waste of a commercially minable coal resource or endangerment of
4 the health and safety of miners:

- 5 (1) Hydrofracturing the coal seam.
- 6 (2) Horizontal drilling in the coal seam.
- 7 (3) Any other technology that disturbs the integrity of either or
8 both of the following:
 - 9 (A) The coal seam.
 - 10 (B) The strata surrounding the coal seam.

11 (d) An application for a permit to drill into or through one (1) or
12 more coal seams for the purpose of testing or producing coal bed
13 methane must be accompanied by:

- 14 (1) subject to subsection (e), certification by affidavit of the
15 applicant that, upon diligent inquiry, including reference to:
 - 16 (A) the record of filings maintained by the department and
17 made by coal owners and lessees under IC 14-8-2-47; and
 - 18 (B) publicly available records pertaining to thickness and
19 depth of coal;

20 the activities of the applicant do not and will not result in waste
21 of a commercially minable coal resource or endangerment of the
22 health and safety of miners; or

- 23 (2) subject to subsections (f) and (g), written consent of the coal
24 owner or coal lessee authorizing the drilling.

25 (e) An applicant that submits a permit application accompanied ~~with~~
26 **by** a certification under subsection (d)(1) shall submit proof that
27 written notice of the permit application has been received by the owner
28 and, if applicable, the lessee of the coal through which drilling is
29 proposed.

30 (f) If there is a coal lease, the coal owner and the coal lessee must
31 include in the written consent under subsection (d)(2) a statement
32 acknowledging that the recovery of coal bed methane might result in
33 waste of the commercially minable coal resource.

34 (g) If there is no coal lease, the coal owner must include in the
35 written consent under subsection (d)(2) a statement that the coal owner
36 has not leased the coal for coal mining purposes and acknowledging
37 that the recovery of coal bed methane may result in waste of the
38 commercially minable resource.

39 (h) A person with the following interests in the coal through which
40 drilling for purposes of testing for or producing coal bed methane is
41 proposed has thirty (30) days, after receipt of the permit application
42 notice, to object to the issuance of the permit on the basis of waste of

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1 a commercially minable coal resource or endangerment of the health
2 and safety of miners:
3 (1) The owner.
4 (2) If applicable, the lessee.
5 (3) Another person with an interest to develop a coal resource
6 who files an affidavit under IC 14-37-7-8.
7 (i) A person that files an affidavit under IC 14-37-7-8 may not
8 object to the issuance of the permit if the application includes the
9 written consent of the coal owner under subsection (d)(2).
10 (j) The commission shall prescribe by rule the procedure for
11 objection under subsection (h), including a reasonable deadline for
12 initiating the objection.
13 (k) An owner or holder of mineral interests must comply with the
14 requirements under IC 32-23-7-6.5.
15 SECTION 107. IC 15-11-3-3, AS ADDED BY P.L.2-2008,
16 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
17 JULY 1, 2012]: Sec. 3. The director may appoint employees ~~in the~~
18 ~~manner provided by IC 4-15-2~~ and fix their compensation, subject to
19 the approval of the budget agency under IC 4-12-1-13.
20 SECTION 108. IC 15-13-3-11, AS ADDED BY P.L.20-2011,
21 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
22 UPON PASSAGE]: Sec. 11. (a) The commission may establish a
23 nonprofit subsidiary corporation that is exempt from federal income
24 taxation under Section 501(c)(3) of the Internal Revenue Code, to
25 solicit and accept private funding, gifts, donations, bequests, devises,
26 and contributions.
27 (b) A subsidiary corporation established under this section:
28 (1) shall use money received under subsection (a) to carry out in
29 any manner the purposes and programs under this article;
30 (2) shall report to the budget committee each year concerning:
31 (A) the use of money received under subsection (a); and
32 (B) the balances in any accounts or funds established by the
33 subsidiary corporation; and
34 (3) may deposit money received under subsection (a) in an
35 account or fund that is:
36 (A) administered by the subsidiary corporation; and
37 (B) not part of the state treasury.
38 (c) A subsidiary corporation established under this section is
39 governed by a board of directors comprised of the members of the
40 commission.
41 (d) Employees of the commission shall provide administrative
42 support for a subsidiary corporation **established under this section.**

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1 (e) The state board of accounts shall annually audit a subsidiary
2 corporation established under this section.

3 SECTION 109. IC 15-19-7-34.5, AS ADDED BY P.L.8-2011,
4 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
5 UPON PASSAGE]: Sec. 34.5. (a) The state chemist may:

6 (1) inspect; and

7 (2) on the request of a commercial feed manufacturer or
8 distributor, audit and certify;

9 commercial feed manufacturers and distributors that export commercial
10 feed.

11 (b) The state chemist may adopt rules under IC 4-22-2 to inspect,
12 audit, and certify commercial feed ~~manufactures~~ **manufacturers** and
13 distributors that export commercial feed under subsection (a).

14 (c) The rules adopted under this section may incorporate existing
15 standards that are applicable to a particular manufacturer or distributor.

16 (d) The rules adopted under this section must include a schedule of
17 fees for all activities required under this section to inspect, audit, and
18 certify a commercial feed manufacturer or distributor.

19 SECTION 110. IC 16-18-2-17.2 IS ADDED TO THE INDIANA
20 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
21 [EFFECTIVE UPON PASSAGE]: **Sec. 17.2. "Anatomic pathology
22 service", for purposes of IC 16-48-1, has the meaning set forth in
23 IC 16-48-1-1.**

24 SECTION 111. IC 16-18-2-282, AS AMENDED BY P.L.156-2011,
25 SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
26 UPON PASSAGE]: Sec. 282. (a) "Physician", except as provided in
27 subsections (b) and (c), means a licensed physician (as defined in
28 section 202 of this chapter).

29 (b) "Physician", for purposes of IC 16-41-12, has the meaning set
30 forth in IC 16-41-12-7.

31 (c) "Physician", for purposes of IC 16-37-1-3.1 and IC 16-37-3-5,
32 means an individual who:

33 (1) was the physician last in attendance (as defined in section
34 282.2 of this chapter); or

35 (2) is licensed under IC 25-22.5.

36 **(d) "Physician", for purposes of IC 16-48-1, is subject to
37 IC 16-48-1-2.**

38 SECTION 112. IC 16-18-2-295, AS AMENDED BY P.L.41-2007,
39 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
40 UPON PASSAGE]: Sec. 295. (a) "Provider", for purposes of
41 IC 16-21-8, has the meaning set forth in IC 16-21-8-0.5.

42 (b) "Provider", for purposes of IC 16-38-5, IC 16-39 (except for

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1 IC 16-39-7) and IC 16-41-1 through IC 16-41-9 and IC 16-41-37,
2 means any of the following:

3 (1) An individual (other than an individual who is an employee or
4 a contractor of a hospital, a facility, or an agency described in
5 subdivision (2) or (3)) who is licensed, registered, or certified as
6 a health care professional, including the following:

- 7 (A) A physician.
- 8 (B) A psychotherapist.
- 9 (C) A dentist.
- 10 (D) A registered nurse.
- 11 (E) A licensed practical nurse.
- 12 (F) An optometrist.
- 13 (G) A podiatrist.
- 14 (H) A chiropractor.
- 15 (I) A physical therapist.
- 16 (J) A psychologist.
- 17 (K) An audiologist.
- 18 (L) A speech-language pathologist.
- 19 (M) A dietitian.
- 20 (N) An occupational therapist.
- 21 (O) A respiratory therapist.
- 22 (P) A pharmacist.
- 23 (Q) A sexual assault nurse examiner.

24 (2) A hospital or facility licensed under IC 16-21-2 or IC 12-25 or
25 described in IC 12-24-1 or IC 12-29.

26 (3) A health facility licensed under IC 16-28-2.

27 (4) A home health agency licensed under IC 16-27-1.

28 (5) An employer of a certified emergency medical technician, a
29 certified emergency medical technician-basic advanced, a
30 certified emergency medical technician-intermediate, or a
31 certified paramedic.

32 (6) The state department or a local health department or an
33 employee, agent, designee, or contractor of the state department
34 or local health department.

35 (c) "Provider", for purposes of IC 16-39-7-1, has the meaning set
36 forth in IC 16-39-7-1(a).

37 **(d) "Provider", for purposes of IC 16-48-1, has the meaning set**
38 **forth in IC 16-48-1-3.**

39 SECTION 113. IC 16-18-2-324.7 IS ADDED TO THE INDIANA
40 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
41 [EFFECTIVE UPON PASSAGE]: **Sec. 324.7. "Second opinion", for**
42 **purposes of IC 16-48-1, has the meaning set forth in IC 16-48-1-4.**

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1 SECTION 114. IC 16-18-2-331.9, AS ADDED BY P.L.229-2011,
2 SECTION 161, IS AMENDED TO READ AS FOLLOWS
3 [EFFECTIVE UPON PASSAGE]: Sec. 331.9. "Small house health
4 facility" means a freestanding, self-contained comprehensive care
5 health facility that has the following characteristics:

6 (1) Has at least ten (10) and not more than twelve (12) private
7 resident rooms in one (1) structure that has the appearance of a
8 residential dwelling, that is not more than eight thousand (8,000)
9 square feet, and **that** includes the following:

10 (A) A fully accessible private bathroom for each resident room
11 that includes a toilet, sink, and roll in shower with a seat.

12 (B) A common area living room seating area.

13 (C) An open full-sized kitchen where one hundred percent
14 (100%) of the resident's meals are prepared.

15 (D) A dining room that has one (1) table large enough to seat
16 each resident of the dwelling and at least two (2) staff
17 members.

18 (E) Access to natural light in each habitable space.

19 (2) Does not include the following characteristics of an
20 institutional setting:

21 (A) A nurse's station.

22 (B) Room numbering or other signs that would not be found in
23 a residential setting.

24 (3) Provides self-directed care.

25 SECTION 115. IC 16-21-9-7, AS AMENDED BY P.L.156-2011,
26 SECTION 18, AND AS AMENDED BY P.L.172-2011, SECTION
27 115, IS CORRECTED AND AMENDED TO READ AS FOLLOWS
28 [EFFECTIVE UPON PASSAGE]: Sec. 7. (a) Each nonprofit hospital
29 shall prepare an annual report of the community benefits plan. The
30 report must include, in addition to the community benefits plan itself,
31 the following background information:

32 (1) The hospital's mission statement.

33 (2) A disclosure of the health care needs of the community that
34 were considered in developing the hospital's community benefits
35 plan.

36 (3) A disclosure of the amount and types of community benefits
37 actually provided, including charity care. Charity care must be
38 reported as a separate item from other community benefits.

39 (b) Each nonprofit hospital shall annually file a report of the
40 community benefits plan with the state department. For a hospital's
41 fiscal year that ends before July 1, 2011, the report must be filed not
42 later than one hundred twenty (120) days after the close of the

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1 hospital's fiscal year. For a hospital's fiscal year that ends after June 30,
 2 2011, the report must be filed at the same time the nonprofit hospital
 3 files its annual return described under Section 6033 of the Internal
 4 Revenue Code that is timely filed under Section 6072(e) of the Internal
 5 Revenue *Code*, including any applicable extension authorized under
 6 Section 6081 of the Internal Revenue Code.

7 (c) Each nonprofit hospital shall prepare a statement that notifies the
 8 public that the annual report of the community benefits plan is:

- 9 (1) public information;
- 10 (2) filed with the state department; and
- 11 (3) available to the public on request from the state department.

12 This statement shall be posted in prominent places throughout the
 13 hospital, including the emergency room waiting area and the
 14 admissions office waiting area. The statement shall also be printed in
 15 the hospital patient guide or other material that provides the patient
 16 with information about the admissions criteria of the hospital.

17 (d) Each nonprofit hospital shall develop a written notice about any
 18 charity care program operated by the hospital and how to apply for
 19 charity care. The notice must be in appropriate languages if possible.
 20 The notice must also be conspicuously posted in the following areas:

- 21 (1) The general waiting area.
- 22 (2) The waiting area for emergency services.
- 23 (3) The business office.
- 24 (4) Any other area that the hospital considers an appropriate area
 25 in which to provide notice of a charity care program.

26 SECTION 116. IC 16-25-3-2.5, AS AMENDED BY P.L.156-2011,
 27 SECTION 19, AND AS AMENDED BY P.L.197-2011, SECTION 62,
 28 IS CORRECTED AND AMENDED TO READ AS FOLLOWS
 29 [EFFECTIVE UPON PASSAGE]: Sec. 2.5. The state department shall
 30 administer this chapter with the advice of the *Indiana* health care
 31 facility advisory council established by IC 16-19-15-1.

32 SECTION 117. IC 16-27-0.5-9, AS AMENDED BY P.L.156-2011,
 33 SECTION 20, AND AS AMENDED BY P.L.197-2011, SECTION 63,
 34 IS CORRECTED AND AMENDED TO READ AS FOLLOWS
 35 [EFFECTIVE UPON PASSAGE]: Sec. 9. (a) The state department may
 36 request the *Indiana health care facility advisory* council to propose a
 37 new rule or an amendment to a rule necessary to protect the health,
 38 safety, rights, and welfare of the home health care patients and hospice
 39 patients. If the council does not propose a rule within ninety (90) days
 40 after the state department's request, the state department may propose
 41 the rule.

42 (b) The executive board shall consider rules proposed by the council

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1 under this section. The executive board may adopt, modify, remand, or
2 reject specific rules or parts of rules proposed by the council.

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

6 SECTION 118. IC 16-29-4-3, AS AMENDED BY P.L.156-2011,
7 SECTION 30, AND AS AMENDED BY P.L.197-2011, SECTION 71,
8 IS CORRECTED AND AMENDED TO READ AS FOLLOWS
9 [EFFECTIVE UPON PASSAGE]: Sec. 3. The *Indiana* health care
10 facility advisory council may recommend, before the conversion of
11 existing health facility beds to ICF/MR beds or the construction of a
12 new ICF/MR facility, that the state department issue a preliminary
13 approval of the proposed project, but only if the council determines that
14 there is an insufficient number of available beds to care for all the
15 persons who are determined under IC 12-11-2.1 to be appropriate for
16 placement in an ICF/MR facility.

17 SECTION 119. IC 16-29-4-4, AS AMENDED BY P.L.156-2011,
18 SECTION 31, AND AS AMENDED BY P.L.197-2011, SECTION 72,
19 IS CORRECTED AND AMENDED TO READ AS FOLLOWS
20 [EFFECTIVE UPON PASSAGE]: Sec. 4. A proposed project that
21 receives preliminary approval under this chapter may not add more
22 beds than the number determined by the *Indiana* health care facility
23 advisory council to be necessary to provide an available bed for each
24 person determined under IC 12-11-2.1 to be appropriate for placement
25 in an ICF/MR facility. Upon completion of the proposed project and
26 compliance with the other requirements for licensure under IC 16-28,
27 the state department shall issue a license to the facility.

28 SECTION 120. IC 16-34-2-5, AS AMENDED BY P.L.74-2011,
29 SECTION 1, AND AS AMENDED BY P.L.193-2011, SECTION 15,
30 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON
31 PASSAGE]: Sec. 5. (a) Every medical facility where abortions may be
32 performed shall be supplied with forms drafted by the state department,
33 the purpose and function of which shall be the improvement of
34 maternal health and life through the compilation of relevant maternal
35 life and health factors and data, and a further purpose and function
36 shall be to monitor all abortions performed in Indiana to assure the
37 abortions are done only under the authorized provisions of the law.
38 Such forms shall include, among other things, the following:

- 39 (1) The age of the woman who is aborted.
- 40 (2) The place where the abortion is performed.
- 41 (3) The full name and address of the physicians performing the
42 abortion.

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- 1 (4) The name of the father if known.
- 2 (5) *The age of the father, or the approximate age of the father if*
- 3 *the father's age is unknown.*
- 4 ~~(5)~~ (6) *The postfertilization age of the fetus, the manner in which*
- 5 *the postfertilization age was determined, and, if after the earlier*
- 6 *of the time the fetus obtains viability or the time the*
- 7 *postfertilization age of the fetus is at least twenty (20) weeks, the*
- 8 *medical reason for the abortion.*
- 9 ~~(6)~~ (7) *The medical procedure employed to administer the*
- 10 *abortion and, if the medical procedure performed on a fetus who*
- 11 *is viable or has a postfertilization age of at least twenty (20)*
- 12 *weeks:*
- 13 *(A) whether the method of abortion used was a method that, in*
- 14 *the reasonable judgment of a physician, would provide the*
- 15 *best opportunity for the fetus to survive; and*
- 16 *(B) the basis for the determination that the pregnant woman*
- 17 *had a condition described in this chapter that required the*
- 18 *abortion to avert the death of or serious impairment to the*
- 19 *pregnant woman.*
- 20 ~~(7)~~ (8) *The mother's obstetrical history, including dates of other*
- 21 *abortions, if any.*
- 22 ~~(8)~~ (9) *The results of pathological examinations if performed.*
- 23 ~~(9)~~ (10) *Information as to whether the fetus was delivered alive.*
- 24 ~~(10)~~ (11) *Records of all maternal deaths occurring within the*
- 25 *health facility where the abortion was performed.*
- 26 *(12) The date of the pregnancy termination.*
- 27 *(13) The date the form was received by the state department.*
- 28 (b) *The form provided for in subsection (a) shall be completed by*
- 29 *the physician performing the abortion and shall be transmitted to the*
- 30 *state department not later than July 30 for each abortion performed in*
- 31 *the first six (6) months of that year and not later than January 30 for*
- 32 *each abortion performed for the last six (6) months of the preceding*
- 33 *year. However, if an abortion is performed on a female who is less than*
- 34 *fourteen (14) years of age, the physician performing the abortion shall*
- 35 *transmit the form to the state department of health and the department*
- 36 *of child services within three (3) days after the abortion is performed.*
- 37 *(c) The dates in subsection (a)(12) and (a)(13) may not be redacted*
- 38 *for any use of the form.*
- 39 *(d) Each failure to file the completed form on time as required under*
- 40 *this section is a Class B misdemeanor.*
- 41 ~~(c)~~ (e) *Not later than June 30 of each year, the state department*
- 42 *shall compile a public report providing the following:*

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1 (1) *Statistics for the previous calendar year from the information*
2 *submitted under this section.*
3 (2) *Statistics for previous calendar years compiled by the state*
4 *department under this subsection, with updated information for*
5 *the calendar year that was submitted to the state department after*
6 *the compilation of the statistics.*
7 *The state department shall ensure that no identifying information of a*
8 *pregnant woman is contained in the report.*
9 SECTION 121. IC 16-41-11-8, AS AMENDED BY P.L.222-2005,
10 SECTION 31, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
11 JULY 1, 2012]: Sec. 8. (a) A person who believes that this chapter or
12 rules adopted under this chapter have been violated may file a
13 complaint with the state department. A complaint must be in writing
14 unless the violation complained of constitutes an emergency. The state
15 department shall reduce an oral complaint to writing. The state
16 department shall maintain the confidentiality of the person who files
17 the complaint.
18 (b) The state department shall promptly investigate all complaints
19 received under this section.
20 (c) The state department shall not disclose the name or identifying
21 characteristics of the person who files a complaint under this section
22 unless:
23 (1) the person consents in writing to the disclosure; or
24 (2) the investigation results in an administrative or judicial
25 proceeding and disclosure is ordered by the administrative law
26 judge or the court.
27 (d) The state department shall give a person who files a complaint
28 under this section the opportunity to withdraw the complaint before
29 disclosure.
30 (e) An employee must make a reasonable attempt to ascertain the
31 correctness of any information to be furnished and may be subject to
32 disciplinary actions for knowingly furnishing false information,
33 including suspension or dismissal, as determined by the employer or
34 the ethics commission. However, an employee disciplined under this
35 subsection is entitled to process an appeal of the disciplinary action
36 under any procedure otherwise available to the employee by
37 employment contract, collective bargaining agreement, or, if the
38 employee is an employee of the state, a rule as set forth in IC 4-15-2-34
39 through IC 4-15-2-35.5. **IC 4-15-2.2-42.**
40 (f) The employer of an employee who files a complaint in good faith
41 with the state department under this section may not, solely in
42 retaliation for filing the complaint, do any of the following:

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- 1 (1) Dismiss the employee.
- 2 (2) Withhold salary increases or employment related benefits
- 3 from the employee.
- 4 (3) Transfer or reassign the employee.
- 5 (4) Deny a promotion that the employee would have received.
- 6 (5) Demote the employee.
- 7 SECTION 122. IC 16-41-32-14 IS AMENDED TO READ AS
- 8 FOLLOWS [EFFECTIVE JULY 1, 2012]: Sec. 14. (a) The state
- 9 department shall administer this chapter. The state department may:
- 10 (1) adopt rules under IC 4-22-2 to administer this chapter;
- 11 (2) employ persons as necessary under ~~IC 4-15-2~~; **IC 4-15-2.2**;
- 12 (3) make expenditures;
- 13 (4) require reports and records;
- 14 (5) make investigations; and
- 15 (6) take other action;
- 16 as the state department considers necessary or suitable for the proper
- 17 administration of this chapter.
- 18 (b) The state department may authorize persons to do any act that
- 19 may be done by the state department.
- 20 SECTION 123. IC 20-18-2-16, AS AMENDED BY P.L.90-2011,
- 21 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 22 UPON PASSAGE]: Sec. 16. (a) "School corporation", for purposes of
- 23 this title (except IC 20-20-33, IC 20-26-1 through IC 20-26-5,
- 24 IC 20-26-7, **IC 20-28-11.5**, IC 20-30-8, and IC 20-43), means a public
- 25 school corporation established by Indiana law. The term includes a:
- 26 (1) school city;
- 27 (2) school town;
- 28 (3) school township;
- 29 (4) consolidated school corporation;
- 30 (5) metropolitan school district;
- 31 (6) township school corporation;
- 32 (7) county school corporation;
- 33 (8) united school corporation; or
- 34 (9) community school corporation.
- 35 (b) "School corporation", for purposes of IC 20-26-1 through
- 36 IC 20-26-5 and IC 20-26-7, has the meaning set forth in IC 20-26-2-4.
- 37 (c) "School corporation", for purposes of IC 20-20-33 and
- 38 IC 20-30-8, includes a charter school (as defined in IC 20-24-1-4).
- 39 (d) "School corporation", for purposes of IC 20-43, has the meaning
- 40 set forth in IC 20-43-1-23.
- 41 (e) "School corporation", for purposes of IC 20-28-11.5, has the
- 42 meaning set forth in IC 20-28-11.5-3.

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1 SECTION 124. IC 20-20-5.5-2, AS ADDED BY P.L.73-2011,
 2 SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 3 UPON PASSAGE]: Sec. 2. (a) The department shall evaluate curricular
 4 materials. The evaluation must include an evaluation of:

- 5 (1) the curricular materials' alignment to the academic standards
 6 adopted by the state board under IC 20-31-3-1; and
 7 (2) the appropriateness of the reading level of the curricular
 8 materials.

9 (b) The department shall publish a report that describes the method
 10 used to conduct the evaluation required under subsection (a) and that
 11 contains the results of the evaluation. The report must:

- 12 (1) provide a list of each curricular material evaluated and a
 13 summary of the evaluation for each curricular material;
 14 (2) be updated annually; and
 15 (3) provide a listing and summary review for the curricular
 16 materials that are aligned to the academic standards adopted by
 17 the state board under IC 20-31-3-1 for the following subjects for
 18 each grade level:

- 19 (A) English/language arts, including spelling, literature, and
 20 handwriting.
 21 (B) Reading.
 22 (C) Mathematics.
 23 (D) Science.
 24 (E) Social studies.
 25 (F) Miscellaneous.
 26 (G) World languages.

27 (c) A governing body and superintendent may use the report under
 28 subsection (b) in complying with IC 20-26-12-24.

29 (d) **For a publisher's curricular materials** to be included in the
 30 report under subsection (b), ~~a~~ **the** publisher must provide the
 31 department a written, exact, and standard statewide price for each
 32 curricular material.

33 (e) A publisher may request that an update to the publisher's
 34 curricular materials and corresponding prices replace the **information**
 35 **on the** curricular materials set forth in the report under subsection (b).

36 SECTION 125. IC 20-21-4-1, AS ADDED BY P.L.1-2005,
 37 SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 38 JULY 1, 2012]: Sec. 1. Except as provided in this chapter, ~~IC 4-15-1.8~~
 39 ~~and IC 4-15-2~~ **apply IC 4-15-2.2 applies** to the employees of the
 40 school.

41 SECTION 126. IC 20-22-4-1, AS ADDED BY P.L.1-2005,
 42 SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE

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1 JULY 1, 2012]: Sec. 1. Except as provided in this chapter, ~~IC 4-15-1.8~~
 2 ~~and IC 4-15-2 apply~~ **IC 4-15-2.2 applies** to the employees of the
 3 school.

4 SECTION 127. IC 20-23-14-5, AS ADDED BY P.L.7-2011,
 5 SECTION 8, AND AS ADDED BY P.L.179-2011, SECTION 27, IS
 6 CORRECTED AND AMENDED TO READ AS FOLLOWS
 7 [EFFECTIVE UPON PASSAGE]: Sec. 5. To be eligible to be a
 8 candidate for the governing body under this chapter, the following
 9 apply:

10 (1) Each prospective candidate must file a *petition of nomination*
 11 ~~petition~~ with the board of elections and registration not earlier
 12 than one hundred four (104) days and not later than noon
 13 seventy-four (74) days before the *primary general* election at
 14 which the members are to be elected. ~~that includes~~ *The petition*
 15 *of nomination must include* the following: ~~information:~~

16 (A) The name of the prospective candidate.

17 (B) Whether the prospective candidate is a district candidate
 18 or an at-large candidate.

19 (C) A certification that the prospective candidate meets the
 20 qualifications for candidacy imposed under this chapter.

21 (D) The signatures of at least one hundred (100) registered
 22 voters residing in the school corporation.

23 (2) Each prospective candidate for a district position must:

24 (A) reside in the district; and

25 (B) have resided in the district for at least the three (3) years
 26 immediately preceding the election.

27 (3) Each prospective candidate for an at-large position must:

28 (A) reside in the school corporation; and

29 (B) have resided in the school corporation for at least the three
 30 (3) years immediately preceding the election.

31 (4) Each prospective candidate (regardless of whether the
 32 candidate is a district candidate or an at-large candidate) must:

33 (A) be a registered voter;

34 (B) have been a registered voter for at least the three (3) years
 35 immediately preceding the election; and

36 (C) be a high school graduate or have received a:

37 (i) high school equivalency certificate; or

38 (ii) state general educational development (GED) diploma
 39 under IC 20-20-6 (*before its repeal*) or IC 22-4.1-18.

40 (5) A prospective candidate may not:

41 (A) hold any other elective or appointive office; or

42 (B) have a pecuniary interest in any contract with the school

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1 corporation or its governing body;
 2 as prohibited by law.
 3 SECTION 128. IC 20-24-2.2-3, AS ADDED BY P.L.91-2011,
 4 SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 5 UPON PASSAGE]: Sec. 3. (a) After giving at least thirty (30) days
 6 notice, the state board may require a sponsor to appear at a hearing
 7 conducted by the state board if the sponsor has renewed ~~a~~ **the** charter
 8 **of** or failed to close a charter school that does not meet the minimum
 9 standards in the charter agreement, as ~~posed~~ **posted** on the
 10 department's Internet web site.
 11 (b) After the hearing, the state board may implement one (1) or
 12 more of the following actions unless the state board finds sufficient
 13 justification for the charter school's performance under the state school
 14 accountability system:
 15 (1) Transfer the sponsorship of the charter school identified in
 16 subsection (a) to the charter board.
 17 (2) Order the closure of the charter school identified in subsection
 18 (a) on the date set by the state board.
 19 (3) Order the reduction of any administrative fee collected under
 20 IC 20-24-7-4 that is applicable to the charter school identified in
 21 subsection (a) to an amount not greater than fifty percent (50%)
 22 of the amount allowed under IC 20-24-7-4.
 23 (c) In determining whether to impose consequences under
 24 subsection (b), the state board must consider the following:
 25 (1) Enrollment of students with special challenges such as drug or
 26 alcohol addiction, prior withdrawal from school, prior
 27 incarceration, or other special circumstances.
 28 (2) High mobility of the student population resulting from the
 29 specific purpose of the charter school.
 30 (3) Annual improvement in the performance of students enrolled
 31 in the charter school, as measured by IC 20-31-8-1, compared
 32 with the performance of students enrolled in the charter school in
 33 the immediately preceding school year.
 34 SECTION 129. IC 20-24-6-5, AS AMENDED BY P.L.91-2011,
 35 SECTION 17, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 36 UPON PASSAGE]: Sec. 5. (a) At least ninety percent (90%) of the
 37 individuals who teach full time in a charter school must either:
 38 (1) hold a license to teach in a public school in Indiana under
 39 IC 20-28-5; or
 40 (2) be in the process of obtaining a license to teach in a public
 41 school in Indiana under the transition to teaching program
 42 established by IC 20-28-4-2;

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1 unless the charter school requests and the state board approves a
2 waiver for a lower percentage.

3 (b) An individual who does not qualify under subsection (a) may
4 teach full time in a charter school if the individual meets one **(1)** of the
5 following criteria:

6 (1) The individual is in the process of obtaining a license to teach
7 in a charter school in Indiana under IC 20-28-5-16.

8 (2) The individual holds at least a bachelor's degree with a grade
9 point average of at least three (3.0) on a four (4.0) point scale
10 from an accredited postsecondary educational institution in the
11 content or related area in which the individual teaches.

12 Individuals qualifying under ~~subsection (b)~~ **this subsection** may not
13 exceed ten percent (10%) of the full time teaching staff unless the
14 charter school requests and the state board approves a waiver for a
15 higher percentage.

16 (c) An individual described in subsection (a)(2) must complete the
17 transition to teaching program not later than three (3) years after
18 beginning to teach at a charter school.

19 (d) An individual who holds a part-time teaching position in a
20 charter school must hold at least a bachelor's degree with a grade point
21 average of at least three (3.0) on a four (4.0) point scale from an
22 accredited postsecondary educational institution in the content or
23 related area in which the individual teaches.

24 (e) An individual who provides to students in a charter school a
25 service:

26 (1) that is not teaching; and

27 (2) for which a license is required under Indiana law;

28 must have the appropriate license to provide the service in Indiana.

29 SECTION 130. IC 20-24-12-10, AS ADDED BY P.L.91-2011,
30 SECTION 25, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
31 UPON PASSAGE]: Sec. 10. The following apply to a loan from the
32 fund to a charter school under this chapter:

33 (1) A loan may not exceed the maximum amount set by the
34 department.

35 (2) The term of the loan may not exceed fifteen (15) years after
36 the date of the loan.

37 (3) A charter school may receive multiple loans from the fund as
38 long as the total amount outstanding on all loans granted to the
39 charter school from the fund ~~do~~ **does** not exceed the maximum
40 amount set by the department.

41 (4) The department shall determine the interest rate and other
42 terms for the loan, subject to the approval of the state board of

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1 finance.

2 (5) A charter school must enter into a loan agreement with the

3 department before receiving a loan from the fund.

4 SECTION 131. IC 20-26-5-4, AS AMENDED BY P.L.90-2011,

5 SECTION 11, AND AS AMENDED BY P.L.200-2011, SECTION 1,

6 IS CORRECTED AND AMENDED TO READ AS FOLLOWS

7 [EFFECTIVE UPON PASSAGE]: Sec. 4. In carrying out the school

8 purposes of a school corporation, the governing body acting on the

9 school corporation's behalf has the following specific powers:

10 (1) In the name of the school corporation, to sue and be sued and

11 to enter into contracts in matters permitted by applicable law.

12 However, a governing body may not use funds received from the

13 state to bring or join in an action against the state, unless the

14 governing body is challenging an adverse decision by a state

15 agency, board, or commission.

16 (2) To take charge of, manage, and conduct the educational affairs

17 of the school corporation and to establish, locate, and provide the

18 necessary schools, school libraries, other libraries where

19 permitted by law, other buildings, facilities, property, and

20 equipment.

21 (3) To appropriate from the school corporation's general fund an

22 amount, not to exceed the greater of three thousand dollars

23 (\$3,000) per budget year or one dollar (\$1) per pupil, not to

24 exceed twelve thousand five hundred dollars (\$12,500), based on

25 the school corporation's previous year's ADM, to promote the best

26 interests of the school corporation through:

27 (A) the purchase of meals, decorations, memorabilia, or

28 awards;

29 (B) provision for expenses incurred in interviewing job

30 applicants; or

31 (C) developing relations with other governmental units.

32 (4) To:

33 (A) Acquire, construct, erect, maintain, hold, and contract for

34 construction, erection, or maintenance of real estate, real estate

35 improvements, or an interest in real estate or real estate

36 improvements, as the governing body considers necessary for

37 school purposes, including buildings, parts of buildings,

38 additions to buildings, rooms, gymnasiums, auditoriums,

39 playgrounds, playing and athletic fields, facilities for physical

40 training, buildings for administrative, office, warehouse, repair

41 activities, or housing school owned buses, landscaping, walks,

42 drives, parking areas, roadways, easements and facilities for

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1 power, sewer, water, roadway, access, storm and surface
2 water, drinking water, gas, electricity, other utilities and
3 similar purposes, by purchase, either outright for cash (or
4 under conditional sales or purchase money contracts providing
5 for a retention of a security interest by the seller until payment
6 is made or by notes where the contract, security retention, or
7 note is permitted by applicable law), by exchange, by gift, by
8 devise, by eminent domain, by lease with or without option to
9 purchase, or by lease under IC 20-47-2, IC 20-47-3, or
10 IC 20-47-5.

11 (B) Repair, remodel, remove, or demolish, or to contract for
12 the repair, remodeling, removal, or demolition of the real
13 estate, real estate improvements, or interest in the real estate
14 or real estate improvements, as the governing body considers
15 necessary for school purposes.

16 (C) Provide for conservation measures through utility
17 efficiency programs or under a guaranteed savings contract as
18 described in IC 36-1-12.5.

19 (5) To acquire personal property or an interest in personal
20 property as the governing body considers necessary for school
21 purposes, including buses, motor vehicles, equipment, apparatus,
22 appliances, books, furniture, and supplies, either by cash purchase
23 or under conditional sales or purchase money contracts providing
24 for a security interest by the seller until payment is made or by
25 notes where the contract, security, retention, or note is permitted
26 by applicable law, by gift, by devise, by loan, or by lease with or
27 without option to purchase and to repair, remodel, remove,
28 relocate, and demolish the personal property. All purchases and
29 contracts specified under the powers authorized under subdivision

30 (4) and this subdivision are subject solely to applicable law
31 relating to purchases and contracting by municipal corporations
32 in general and to the supervisory control of state agencies as
33 provided in section 6 of this chapter.

34 (6) To sell or exchange real or personal property or interest in real
35 or personal property that, in the opinion of the governing body, is
36 not necessary for school purposes, in accordance with IC 20-26-7,
37 to demolish or otherwise dispose of the property if, in the opinion
38 of the governing body, the property is not necessary for school
39 purposes and is worthless, and to pay the expenses for the
40 demolition or disposition.

41 (7) To lease any school property for a rental that the governing
42 body considers reasonable or to permit the free use of school

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property for:
(A) civic or public purposes; or
(B) the operation of a school age child care program for children who are at least five (5) years of age and less than fifteen (15) years of age that operates before or after the school day, or both, and during periods when school is not in session; if the property is not needed for school purposes. Under this subdivision, the governing body may enter into a long term lease with a nonprofit corporation, community service organization, or other governmental entity, if the corporation, organization, or other governmental entity will use the property to be leased for civic or public purposes or for a school age child care program. However, if payment for the property subject to a long term lease is made from money in the school corporation's debt service fund, all proceeds from the long term lease must be deposited in the school corporation's debt service fund so long as payment for the property has not been made. The governing body may, at the governing body's option, use the procedure specified in IC 36-1-11-10 in leasing property under this subdivision.
(8) To:
(A) Employ, contract for, and discharge superintendents, supervisors, principals, teachers, librarians, athletic coaches (whether or not they are otherwise employed by the school corporation and whether or not they are licensed under IC 20-28-5), business managers, superintendents of buildings and grounds, janitors, engineers, architects, physicians, dentists, nurses, accountants, teacher aides performing noninstructional duties, educational and other professional consultants, data processing and computer service for school purposes, including the making of schedules, the keeping and analyzing of grades and other student data, the keeping and preparing of warrants, payroll, and similar data where approved by the state board of accounts as provided below, and other personnel or services as the governing body considers necessary for school purposes.
(B) Fix and pay the salaries and compensation of persons and services described in this subdivision *that are consistent with IC 20-28-9-1*.
(C) Classify persons or services described in this subdivision and to adopt schedules of salaries or compensation *that are consistent with IC 20-28-9-1*.
(D) Determine the number of the persons or the amount of the

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services employed or contracted for as provided in this subdivision.

(E) Determine the nature and extent of the duties of the persons described in this subdivision.

The compensation, terms of employment, and discharge of teachers are, however, subject to and governed by the laws relating to employment, contracting, compensation, and discharge of teachers. The compensation, terms of employment, and discharge of bus drivers are subject to and governed by laws relating to employment, contracting, compensation, and discharge of bus drivers. The forms and procedures relating to the use of computer and data processing equipment in handling the financial affairs of the school corporation must be submitted to the state board of accounts for approval so that the services are used by the school corporation when the governing body determines that it is in the best interest of the school corporation while at the same time providing reasonable accountability for the funds expended.

(9) Notwithstanding the appropriation limitation in subdivision (3), when the governing body by resolution considers a trip by an employee of the school corporation or by a member of the governing body to be in the interest of the school corporation, including attending meetings, conferences, or examining equipment, buildings, and installation in other areas, to permit the employee to be absent in connection with the trip without any loss in pay and to reimburse the employee or the member the employee's or member's reasonable lodging and meal expenses and necessary transportation expenses. To pay teaching personnel for time spent in sponsoring and working with school related trips or activities.

(10) To transport children to and from school, when in the opinion of the governing body the transportation is necessary, including considerations for the safety of the children and without regard to the distance the children live from the school. The transportation must be otherwise in accordance with applicable law.

(11) To provide a lunch program for a part or all of the students attending the schools of the school corporation, including the establishment of kitchens, kitchen facilities, kitchen equipment, lunch rooms, the hiring of the necessary personnel to operate the lunch program, and the purchase of material and supplies for the lunch program, charging students for the operational costs of the lunch program, fixing the price per meal or per food item. To

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- 1 operate the lunch program as an extracurricular activity, subject
2 to the supervision of the governing body. To participate in a
3 surplus commodity or lunch aid program.
- 4 (12) To purchase textbooks, to furnish textbooks without cost or
5 to rent textbooks to students, to participate in a textbook aid
6 program, all in accordance with applicable law.
- 7 (13) To accept students transferred from other school corporations
8 and to transfer students to other school corporations in accordance
9 with applicable law.
- 10 (14) To make budgets, to appropriate funds, and to disburse the
11 money of the school corporation in accordance with applicable
12 law. To borrow money against current tax collections and
13 otherwise to borrow money, in accordance with IC 20-48-1.
- 14 (15) To purchase insurance or to establish and maintain a
15 program of self-insurance relating to the liability of the school
16 corporation or the school corporation's employees in connection
17 with motor vehicles or property and for additional coverage to the
18 extent permitted and in accordance with IC 34-13-3-20. To
19 purchase additional insurance or to establish and maintain a
20 program of self-insurance protecting the school corporation and
21 members of the governing body, employees, contractors, or agents
22 of the school corporation from liability, risk, accident, or loss
23 related to school property, school contract, school or school
24 related activity, including the purchase of insurance or the
25 establishment and maintenance of a self-insurance program
26 protecting persons described in this subdivision against false
27 imprisonment, false arrest, libel, or slander for acts committed in
28 the course of the persons' employment, protecting the school
29 corporation for fire and extended coverage and other casualty
30 risks to the extent of replacement cost, loss of use, and other
31 insurable risks relating to property owned, leased, or held by the
32 school corporation. *In accordance with IC 20-26-17*, to:
- 33 (A) participate in a state employee health plan under
34 IC 5-10-8-6.6 or IC 5-10-8-6.7;
- 35 (B) purchase insurance; or
- 36 (C) establish and maintain a program of self-insurance;
37 to benefit school corporation employees, including accident,
38 sickness, health, or dental coverage, provided that a plan of
39 self-insurance must include an aggregate stop-loss provision.
- 40 (16) To make all applications, to enter into all contracts, and to
41 sign all documents necessary for the receipt of aid, money, or
42 property from the state, the federal government, or from any other

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(17) To defend a member of the governing body or any employee of the school corporation in any suit arising out of the performance of the member's or employee's duties for or employment with, the school corporation, if the governing body by resolution determined that the action was taken in good faith. To save any member or employee harmless from any liability, cost, or damage in connection with the performance, including the payment of legal fees, except where the liability, cost, or damage is predicated on or arises out of the bad faith of the member or employee, or is a claim or judgment based on the member's or employee's malfeasance in office or employment.

(18) To prepare, make, enforce, amend, or repeal rules, regulations, and procedures:

- (A) for the government and management of the schools, property, facilities, and activities of the school corporation, the school corporation's agents, employees, and pupils and for the operation of the governing body; and
- (B) that may be designated by an appropriate title such as "policy handbook", "bylaws", or "rules and regulations".

(19) To ratify and approve any action taken by a member of the governing body, an officer of the governing body, or an employee of the school corporation after the action is taken, if the action could have been approved in advance, and in connection with the action to pay the expense or compensation permitted under IC 20-26-1 through IC 20-26-5, IC 20-26-7, IC 20-40-12, and IC 20-48-1 or any other law.

(20) To exercise any other power and make any expenditure in carrying out the governing body's general powers and purposes provided in this chapter or in carrying out the powers delineated in this section which is reasonable from a business or educational standpoint in carrying out school purposes of the school corporation, including the acquisition of property or the employment or contracting for services, even though the power or expenditure is not specifically set out in this chapter. The specific powers set out in this section do not limit the general grant of powers provided in this chapter except where a limitation is set out in IC 20-26-1 through IC 20-26-5, IC 20-26-7, IC 20-40-12, and IC 20-48-1 by specific language or by reference to other law.

SECTION 132. IC 20-26-5-32.2, AS AMENDED BY P.L.48-2011, SECTION 2, AND AS AMENDED BY P.L.91-2011, SECTION 26, IS CORRECTED AND AMENDED TO READ AS FOLLOWS

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- 1 [EFFECTIVE UPON PASSAGE]: Sec. 32.2. (a) Notwithstanding
 2 IC 22-2-5-1, a school corporation *or charter school* and:
 3 (1) an employee if there is no representative described under
 4 subdivision (2) or (3) for that employee;
 5 (2) the exclusive representative of its certificated employees with
 6 respect to those employees; or
 7 (3) a labor organization representing its noncertificated
 8 employees with respect to those employees;
 9 may agree in writing to a wage payment arrangement.
 10 (b) A wage payment arrangement under subsection (a) may provide
 11 that compensation earned during a school year may be paid:
 12 (1) using equal installments or any other method; and
 13 (2) over:
 14 (A) all or part of that school year; or
 15 (B) any other period that begins not earlier than the first day of
 16 that school year and ends not later than thirteen (13) months
 17 after the wage payment arrangement period begins.
 18 Such an arrangement may provide that compensation earned in a
 19 calendar year is paid in the next calendar year, so long as all the
 20 compensation is paid within the thirteen (13) month period beginning
 21 with the first day of the school year.
 22 (c) A wage payment arrangement under subsection (a) must be
 23 structured in such a manner so that it is not considered:
 24 (1) a nonqualified deferred compensation plan for purposes of
 25 Section 409A of the Internal Revenue Code; or
 26 (2) deferred compensation for purposes of Section 457(f) of the
 27 Internal Revenue Code.
 28 (d) Absent an agreement under subsection (a), a school corporation
 29 *or charter school* remains subject to IC 22-2-5-1.
 30 (e) Wage payments required under a wage payment arrangement
 31 entered into under subsection (a) are enforceable under IC 22-2-5-2.
 32 (f) If an employee leaves employment for any reason, either
 33 permanently or temporarily, the amount due the employee under
 34 IC 22-2-5-1 and IC 22-2-9-2 is the total amount of wages earned and
 35 unpaid. *If the employment relationship ends at the conclusion of a*
 36 *school year, the school corporation or charter school may pay the*
 37 *employee the remaining wages owed as provided in the written wage*
 38 *payment arrangement.*
 39 (g) Employment with a school corporation *or charter school* may
 40 not be conditioned upon the acceptance of a wage payment
 41 arrangement under subsection (a).
 42 (h) An employee may revoke a wage payment arrangement under

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1 subsection (a) at the beginning of each school year.

2 (i) *A wage payment arrangement under this chapter may not*
 3 *contain any terms beyond those permitted to be bargained under*
 4 *IC 20-29-6-4.*

5 SECTION 133. IC 20-26-15-5, AS ADDED BY P.L.1-2005,
 6 SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 7 UPON PASSAGE]: Sec. 5. Notwithstanding any other law, the
 8 operation of the following is suspended for a freeway school
 9 corporation or a freeway school if the governing body of the school
 10 corporation elects to have the specific statute or rule suspended in the
 11 contract:

12 (1) The following statutes and rules concerning curriculum and
 13 instructional time:

14 IC 20-30-2-7

15 IC 20-30-5-8

16 IC 20-30-5-9

17 IC 20-30-5-11

18 511 IAC 6-7-6

19 ~~511 IAC 6.1-3-4~~

20 511 IAC 6.1-5-0.5

21 511 IAC 6.1-5-1

22 511 IAC 6.1-5-2.5

23 511 IAC 6.1-5-3.5

24 511 IAC 6.1-5-4.

25 (2) The following rule concerning pupil/teacher ratios:

26 511 IAC 6.1-4-1.

27 (3) The following statutes and rules concerning textbooks:

28 ~~IC 20-20-5-1 through IC 20-20-5-4~~

29 ~~IC 20-20-5-23~~

30 IC 20-26-12-24

31 IC 20-26-12-26

32 ~~IC 20-26-12-28~~

33 IC 20-26-12-1

34 IC 20-26-12-2

35 511 IAC 6.1-5-5.

36 (4) 511 IAC 6-7, concerning graduation requirements.

37 (5) IC 20-31-4, concerning the performance based accreditation
 38 system.

39 (6) IC 20-32-5, concerning the ISTEP program established under
 40 IC 20-32-5-15, if an alternative locally adopted assessment
 41 program is adopted under section 6(7) of this chapter.

42 SECTION 134. IC 20-28-4-4, AS AMENDED BY P.L.90-2011,

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1 SECTION 15, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
2 UPON PASSAGE]: Sec. 4. An entity approved by the department may
3 establish a course of study that meets the requirements of this section.
4 A program approved under this section must comply with the following
5 requirements:

6 (1) Include the following study requirements:

7 (A) For a program participant who seeks to obtain a license to
8 teach in grades 5 through 12, up to eighteen (18) credit hours
9 of study or the equivalent that:

10 (i) ~~prepare prepares~~ a program participant to meet Indiana
11 standards for teaching in the subject areas corresponding to
12 the area in which the program participant has met the
13 education requirements under section 5 of this chapter,
14 unless the program participant demonstrates that the
15 program participant requires fewer credit hours of study to
16 meet Indiana standards for teaching; and

17 (ii) provides the program participants with instruction in
18 scientifically based reading instruction.

19 (B) For a program participant who seeks to obtain a license to
20 teach in kindergarten through grade 6, twenty-four (24) credit
21 hours of study or the equivalent, which must include at least
22 six (6) credit hours in teaching scientifically based reading
23 instruction, that ~~prepare prepares~~ a program participant to
24 meet Indiana standards for teaching, unless the program
25 participant demonstrates that the program participant requires
26 fewer credit hours of study to meet Indiana standards for
27 teaching.

28 (2) Focus on student mastery of standards established by the state.

29 (3) Include suitable field or classroom experiences if the program
30 participant does not have teaching experience.

31 SECTION 135. IC 20-28-5-3, AS AMENDED BY P.L.90-2011,
32 SECTION 23, AS AMENDED BY P.L.93-2011, SECTION 3, AND
33 AS AMENDED BY P.L.146-2011, SECTION 1, IS CORRECTED
34 AND AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON
35 PASSAGE]: Sec. 3. (a) The department shall designate

36 ~~(1) the grade point average required for each type of license. and~~

37 ~~(2) the types of licenses to which the teachers' minimum salary~~
38 ~~laws apply, including nonrenewable one (1) year limited licenses.~~

39 (b) The department shall determine details of licensing not provided
40 in this chapter, including requirements regarding the following:

41 (1) The conversion of one (1) type of license into another.

42 (2) The accreditation of teacher education schools and

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- 1 departments.
- 2 (3) The exchange and renewal of licenses.
- 3 (4) The endorsement of another state's license.
- 4 (5) The acceptance of credentials from teacher education
- 5 institutions of another state.
- 6 (6) The academic and professional preparation for each type of
- 7 license.
- 8 (7) The granting of permission to teach a high school subject area
- 9 related to the subject area for which the teacher holds a license.
- 10 (8) The issuance of licenses on credentials.
- 11 (9) The type of license required for each school position.
- 12 (10) The size requirements for an elementary school requiring a
- 13 licensed principal.
- 14 (11) Any other related matters.

15 The department shall establish at least one (1) system for renewing a
 16 teaching license that does not require a graduate degree.

17 (c) This subsection does not apply to an applicant for a substitute
 18 teacher license. After June 30, ~~2007~~, 2011, the department may not
 19 issue an initial *teaching practitioner* license at any grade level to an
 20 applicant for an initial *teaching practitioner* license unless the
 21 applicant shows evidence that the applicant:

22 (1) has successfully completed training approved by the
 23 department in:

- 24 (A) cardiopulmonary resuscitation that includes a test
- 25 demonstration on a mannequin;
- 26 (B) removing a foreign body causing an obstruction in an
- 27 airway; ~~and~~
- 28 (C) the Heimlich maneuver; and
- 29 (D) the use of an automated external defibrillator;

30 (2) holds a valid certification in each of the procedures described
 31 in subdivision (1) issued by:

- 32 (A) the American Red Cross;
- 33 (B) the American Heart Association; or
- 34 (C) a comparable organization or institution approved by the
- 35 advisory board; or

36 (3) has physical limitations that make it impracticable for the
 37 applicant to complete a course or certification described in
 38 subdivision (1) or (2).

39 *The training in this subsection applies to a teacher (as defined in*
 40 *IC 20-18-2-22(b)).*

41 (d) *This subsection does not apply to an applicant for a substitute*
 42 *teacher license. After June 30, 2013, the department may not issue an*

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1 initial teaching license at any grade level to an applicant for an initial
 2 teaching license unless the applicant shows evidence that the applicant
 3 has successfully completed education and training on the prevention
 4 of child suicide and the recognition of signs that a student may be
 5 considering suicide.

6 ~~(d)~~ (e) This subsection does not apply to an applicant for a
 7 substitute teacher license. After June 30, 2012, the department may not
 8 issue a teaching license renewal at any grade level to an applicant
 9 unless the applicant shows evidence that the applicant:

10 (1) has successfully completed training approved by the
 11 department in:

12 (A) cardiopulmonary resuscitation that includes a test
 13 demonstration on a mannequin;

14 (B) removing a foreign body causing an obstruction in an
 15 airway;

16 (C) the Heimlich maneuver; and

17 (D) the use of an automated external defibrillator;

18 (2) holds a valid certification in each of the procedures described
 19 in subdivision (1) issued by:

20 (A) the American Red Cross;

21 (B) the American Heart Association; or

22 (C) a comparable organization or institution approved by the
 23 advisory board; or

24 (3) has physical limitations that make it impracticable for the
 25 applicant to complete a course or certification described in
 26 subdivision (1) or (2).

27 ~~(d)~~ ~~(e)~~ (f) The department shall periodically publish bulletins
 28 regarding:

29 (1) the details described in subsection (b);

30 (2) information on the types of licenses issued;

31 (3) the rules governing the issuance of each type of license; and

32 (4) other similar matters.

33 SECTION 136. IC 20-28-5-12, AS AMENDED BY P.L.90-2011,
 34 SECTION 25, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 35 UPON PASSAGE]: Sec. 12. (a) Subsection (b) does not apply to an
 36 individual who held an Indiana limited, reciprocal, **or** standard
 37 teaching license on June 30, 1985.

38 (b) The department may not grant an initial practitioner license to
 39 an individual unless the individual has demonstrated proficiency in the
 40 following areas on a written examination or through other procedures
 41 prescribed by the department:

42 (1) Basic reading, writing, and mathematics.



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- 1 (2) Pedagogy.
- 2 (3) Knowledge of the areas in which the individual is required to
- 3 have a license to teach.
- 4 (4) If the individual is seeking to be licensed as an elementary
- 5 school teacher, comprehensive scientifically based reading
- 6 instruction skills, including:
- 7 (A) phonemic awareness;
- 8 (B) phonics instruction;
- 9 (C) fluency;
- 10 (D) vocabulary; and
- 11 (E) comprehension.
- 12 (c) An individual's license examination score may not be disclosed
- 13 by the department without the individual's consent unless specifically
- 14 required by state or federal statute or court order.
- 15 (d) The state board shall adopt rules under IC 4-22-2 to do the
- 16 following:
- 17 (1) Adopt, validate, and implement the examination or other
- 18 procedures required by subsection (b).
- 19 (2) Establish examination scores indicating proficiency.
- 20 (3) Otherwise carry out the purposes of this section.
- 21 (e) The state board shall adopt rules under IC 4-22-2 establishing
- 22 the conditions under which the requirements of this section may be
- 23 waived for an individual holding a valid teacher's license issued by
- 24 another state.
- 25 SECTION 137. IC 20-28-6-2, AS AMENDED BY P.L.48-2011,
- 26 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 27 UPON PASSAGE]: Sec. 2. (a) A contract entered into by a teacher and
- 28 a school corporation must:
- 29 (1) be in writing;
- 30 (2) be signed by both parties; and
- 31 (3) contain the:
- 32 (A) beginning date of the school term as determined annually
- 33 by the school corporation;
- 34 (B) number of days in the school term as determined annually
- 35 by the school corporation;
- 36 (C) total salary to be paid to the teacher during the school year;
- 37 (D) number of salary payments to be made to the teacher
- 38 during the school year; and
- 39 (E) ~~the~~ number of hours per day the teacher is expected to
- 40 work, as discussed pursuant to IC 20-29-6-7.
- 41 (b) The contract may provide for the annual determination of the
- 42 teacher's annual compensation by a local salary schedule, which is part

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1 of the contract. The salary schedule may be changed by the school
2 corporation on or before May 1 of a year, with the changes effective the
3 next school year. A teacher affected by the changes shall be furnished
4 with printed copies of the changed schedule not later than thirty (30)
5 days after the schedule's adoption.

6 (c) A contract under this section is also governed by the following
7 statutes:

- 8 (1) IC 20-28-9-5 through IC 20-28-9-6.
- 9 (2) IC 20-28-9-9 through IC 20-28-9-11.
- 10 (3) IC 20-28-9-13.
- 11 (4) IC 20-28-9-14.

12 (d) A governing body shall provide the blank contract forms,
13 carefully worded by the state superintendent, and have them signed.
14 The contracts are public records open to inspection by the residents of
15 each school corporation.

16 (e) An action may be brought on a contract that conforms with
17 subsections (a)(1), (a)(2), and (d).

18 SECTION 138. IC 20-28-11.5-9, AS ADDED BY P.L.90-2011,
19 SECTION 39, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
20 UPON PASSAGE]: Sec. 9. (a) Before August 1 of each year, each
21 school corporation shall provide the results of the staff performance
22 evaluations, including the number of certificated employees placed in
23 each performance category, to the department. The results provided
24 may not include the names **of** or any other personally identifiable
25 information regarding certificated employees.

26 (b) Before September 1 of each year, the department shall report the
27 results of staff performance evaluations to the state board, and to the
28 public via the department's Internet web site, for:

- 29 (1) the aggregate of certificated employees of each school and
30 school corporation; and
- 31 (2) the aggregate of graduates of each teacher preparation
32 program in Indiana.

33 SECTION 139. IC 20-29-6-13, AS AMENDED BY P.L.229-2011,
34 SECTION 180, IS AMENDED TO READ AS FOLLOWS
35 [EFFECTIVE UPON PASSAGE]: Sec. 13. (a) **If**, at any time after at
36 least sixty (60) days following the beginning of formal bargaining
37 collectively between the parties, an impasse is declared, ~~and~~ the board
38 shall appoint a mediator from the board's staff or an ad hoc panel.

39 (b) The mediator shall begin mediation ~~with~~ **within** fifteen (15) days
40 after the board receives notice of impasse.

41 (c) The mediation must consist of not more than three (3) mediation
42 sessions and must result in one (1) of the following:

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- 1 (1) An agreement between the parties on the items permitted to be
- 2 bargained under section 4 of this chapter.
- 3 (2) Each party's last best offer, including fiscal rationale, related
- 4 to items permitted to be bargained under section 4 of this chapter.
- 5 (d) Costs for the mediator shall be borne equally by the parties.
- 6 (e) Mediation shall be completed within thirty (30) days.
- 7 SECTION 140. IC 20-29-6-18, AS ADDED BY P.L.48-2011,
- 8 SECTION 25, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 9 UPON PASSAGE]: Sec. 18. (a) Either party may appeal the decision
- 10 of the factfinder under ~~IC 20-29-6-15~~. **IC 20-29-6-15.1**. The appeal
- 11 must be filed not later than thirty (30) days after receiving the
- 12 factfinder's decision.
- 13 (b) The board's decision must be restricted to only those items
- 14 permitted to be bargained and included in the collective bargaining
- 15 agreement under section 4 of this chapter and must not put the
- 16 employer in a position of deficit financing, as defined in IC 20-29-2-6.
- 17 The board's decision may not impose terms beyond those proposed by
- 18 the parties in their last, best offers.
- 19 (c) The board must rule on the appeal within thirty (30) days after
- 20 receipt of notice of appeal.
- 21 SECTION 141. IC 20-31-9.5-4, AS ADDED BY P.L.229-2011,
- 22 SECTION 190, IS AMENDED TO READ AS FOLLOWS
- 23 [EFFECTIVE UPON PASSAGE]: Sec. 4. Any student who lives in the
- 24 attendance area served by a school that is operated as a turnaround
- 25 academy under this chapter may attend the turnaround academy. The
- 26 turnaround academy may not refuse enrollment to a student who lives
- 27 in the attendance area.
- 28 SECTION 142. IC 20-37-2-11, AS AMENDED BY P.L.234-2007,
- 29 SECTION 131, IS AMENDED TO READ AS FOLLOWS
- 30 [EFFECTIVE UPON PASSAGE]: Sec. 11. (a) As used in this section,
- 31 "career and technical education course" means a career and technical
- 32 education course that is:
- 33 (1) an approved high school course under the rules of the state
- 34 board; and
- 35 (2) included on the list of approved courses that the state board
- 36 develops and approves under ~~IC 20-20-20-3~~. **IC 20-20-38-5**.
- 37 (b) A school corporation that has entered into an agreement for a
- 38 joint program of career and technical education with one (1) or more
- 39 other school corporations may not add a new career and technical
- 40 education course to its curriculum unless the course has been approved
- 41 in the following manner:
- 42 (1) In the case of an agreement under IC 20-37-1, the course must

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1 be approved by the management board for the joint program.

2 (2) In the case of an agreement under IC 20-26-10, the course
3 must be approved by the governing body of the school corporation
4 that is designated to administer the joint program under
5 IC 20-26-10-3. However, if that governing body refuses to
6 approve the course, the course may be approved by a majority of
7 the governing bodies of the school corporations that are parties to
8 the agreement.

9 SECTION 143. IC 20-40-17-1, AS ADDED BY P.L.220-2011,
10 SECTION 337, IS AMENDED TO READ AS FOLLOWS
11 [EFFECTIVE UPON PASSAGE]: Sec. 1. The department and the state
12 board of tax commissioners shall select pilot school corporations under
13 section 2 of this chapter. Beginning January 1, 1997, the school
14 corporations selected under section 2 of this chapter shall comply with
15 SECTIONS 1 through ~~18~~ 17 of P.L.50-1996 as if those SECTIONS
16 were effective January 1, 1997.

17 SECTION 144. IC 20-51-4-3, AS AMENDED BY P.L.172-2011,
18 SECTION 126, IS AMENDED TO READ AS FOLLOWS
19 [EFFECTIVE UPON PASSAGE]: Sec. 3. (a) An eligible school may
20 not discriminate on the basis of race, color, or national origin.

21 (b) An eligible school shall abide by the school's written admission
22 policy fairly and without discrimination with regard to students who:

23 (1) apply for; or

24 (2) are awarded;

25 scholarships under this chapter.

26 (c) If the number of applicants for enrollment in an eligible school
27 under a choice scholarship exceeds the number of choice scholarships
28 available to the eligible school, the eligible school must draw at
29 random in a public meeting the applications of applicants who are
30 entitled to a choice scholarship from among the applicants who meet
31 the requirements for admission to the eligible school.

32 (d) The department shall make random visits to at least five percent
33 (5%) of eligible schools and charter schools to verify that the eligible
34 school or charter school complies with the provisions of ~~IC 20-51-4~~,
35 **this chapter and** the Constitutions of the state of Indiana and the
36 United States.

37 (e) Each eligible school, public school, and charter school shall
38 grant the department reasonable access to its premises, including
39 access to the school's grounds, buildings, and property.

40 (f) Each year the principal of each eligible school shall certify under
41 penalties of perjury to the department that the eligible school is
42 complying with the requirements of this chapter. The department shall

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1 develop a process for eligible schools to follow to make certifications.

2 SECTION 145. IC 20-51-4-5, AS ADDED BY P.L.92-2011,
3 SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
4 UPON PASSAGE]: Sec. 5. The state tuition support amount to be used
5 in ~~section 3(2)~~ **section 4(2)** of this chapter for an eligible individual is
6 the amount determined under the last STEP of the following formula:

7 STEP ONE: Determine the school corporation in which the
8 eligible individual has legal settlement.

9 STEP TWO: Determine the amount of state tuition support that
10 the school corporation identified under STEP ONE is eligible to
11 receive under IC 20-43 for the calendar year in which the current
12 school year begins, excluding amounts provided for special
13 education grants under IC 20-43-7 and career and technical
14 education grants under IC 20-43-8.

15 STEP THREE: Determine the result of:

- 16 (A) the STEP TWO amount; divided by
- 17 (B) the current ADM (as defined in IC 20-43-1-10) for the
- 18 school corporation identified under STEP ONE for the
- 19 calendar year used in STEP TWO.

20 SECTION 146. IC 21-12-6-6, AS AMENDED BY P.L.229-2011,
21 SECTION 228, IS AMENDED TO READ AS FOLLOWS
22 [EFFECTIVE UPON PASSAGE]: Sec. 6. (a) A student may apply to
23 the commission for a scholarship. To qualify for a scholarship, the
24 student must meet the following requirements:

- 25 (1) Be an eligible student who qualified to participate in the
- 26 program under section 5 of this chapter.
- 27 (2) Be a resident of Indiana.
- 28 (3) Be a graduate from a secondary school located in Indiana that
- 29 meets the admission criteria of an eligible institution and have
- 30 achieved a cumulative grade point average in high school of:
 - 31 (A) at least 2.0 on a 4.0 grading scale, if the student is
 - 32 expected to graduate from high school before July 1, 2014; and
 - 33 (B) at least 2.5 on a 4.0 grading scale, if the student is
 - 34 expected to graduate from high school after June 30, 2014.
- 35 (4) Have applied to attend and be accepted to attend as a full-time
- 36 student an eligible institution.
- 37 (5) Certify in writing that the student has:
 - 38 (A) not illegally used controlled substances (as defined in
 - 39 IC 35-48-1-9);
 - 40 (B) not illegally consumed alcoholic beverages;
 - 41 (C) not committed any other crime or a delinquent act (as
 - 42 described in IC 31-37-1-2 or IC 31-37-2-2 through

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- 1 IC 31-37-2-5 (or IC 31-6-4-1(a)(1) through IC 31-6-4-1(a)(5)
 2 before their repeal));
 3 (D) timely filed an application for other types of financial
 4 assistance available to the student from the state or federal
 5 government; and
 6 (E) ~~participate~~ **participated** in an academic success program
 7 required under the rules adopted by the commission and the
 8 commission for higher education.
- 9 (6) Submit to the commission all the information and evidence
 10 required by the commission to determine eligibility as a
 11 scholarship applicant.
- 12 (7) This subdivision applies only to applicants who initially enroll
 13 in the program under section 5 of this chapter or IC 21-12-6.5-2
 14 after June 30, 2011. For purposes of this chapter, applicants who
 15 are enrolled in the program before July 1, 2011, will not have an
 16 income or financial resources test applied to them when they
 17 subsequently apply for a scholarship. Have a lack of financial
 18 resources reasonably available to the applicant, as defined by the
 19 commission, that, in the absence of an award under this chapter,
 20 would deter the scholarship applicant from completing the
 21 applicant's education at the approved postsecondary educational
 22 institution that the applicant has selected and that has accepted
 23 the applicant.
- 24 (8) Meet any other minimum criteria established by the
 25 commission.
- 26 (b) This section applies to an individual who graduates from high
 27 school after December 31, 2011. To be eligible for a scholarship under
 28 this section, a student must initially attend the eligible institution
 29 described in subdivision (a)(4) not later than the fall semester (or its
 30 equivalent, as ~~determine~~ **determined** by the commission) in the year
 31 immediately following the year in which the student graduates from
 32 high school.
- 33 SECTION 147. IC 21-12-13-3, AS ADDED BY P.L.169-2011,
 34 SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 35 UPON PASSAGE]: Sec. 3. (a) This section applies to a grant or
 36 reduction in tuition or fees described in section 1 or 2 of this chapter.
- 37 (b) As used in this section, "professional degree program" refers to
 38 a four (4) or five (5) year postsecondary school course of study:
 39 (1) to which an individual may be admitted without completing an
 40 undergraduate degree;
 41 (2) **that** leads to a degree that is not an undergraduate or graduate
 42 degree, as determined by the commission; and

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1 (3) **that** prepares the holder of the degree for a profession.
 2 (c) A grant or reduction in tuition or fees described in section 1 or
 3 2 of this chapter, including all renewals and extensions, may be used
 4 for a professional degree program. The total grant or reduction in
 5 tuition or fees under a statute listed in section 1 or 2 of this chapter for
 6 all:

- 7 (1) undergraduate ~~credits~~ **credit** hours or semesters; and
 8 (2) professional degree program ~~credits~~ **credit** hours or semesters;
 9 may not exceed the maximum credit hours or semesters permitted
 10 under section 1 or 2 of this chapter, as applicable and must be used
 11 within eight (8) years after the date the individual first applies and
 12 becomes eligible for benefits under the applicable law.

13 SECTION 148. IC 21-14-4-1, AS AMENDED BY P.L.169-2011,
 14 SECTION 15, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 15 UPON PASSAGE]: Sec. 1. This chapter applies to the following
 16 persons:

- 17 (1) A person who:
 18 (A) is a pupil at the Soldiers' and Sailors' Children's Home;
 19 (B) was admitted to the Soldiers' and Sailors' Children's Home
 20 because the person was related to a member of the armed
 21 forces of the United States;
 22 (C) is eligible to pay the resident tuition rate at the state
 23 educational institution the person will attend as determined by
 24 the institution; and
 25 (D) possesses the requisite academic qualifications.
 26 (2) A person:
 27 (A) whose mother or father:
 28 (i) served in the armed forces of the United States;
 29 (ii) received the Purple Heart decoration or was wounded as
 30 a result of enemy action;
 31 (iii) received a discharge or separation from the armed
 32 forces other than a dishonorable discharge; and
 33 (iv) either designated Indiana as home of record at the time
 34 of enlistment in the armed forces of the United States or
 35 resided in Indiana at least five (5) years before the person
 36 first applies for benefits under this chapter;
 37 (B) who is eligible to pay the resident tuition rate at the state
 38 educational institution the person will attend as determined by
 39 the institution;
 40 (C) who possesses the requisite academic qualifications;
 41 (D) **who**, if the person was adopted by the person's mother or
 42 father, was adopted before the person was eighteen (18) years

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- 1 of age; and
- 2 (E) **who** is not more than thirty-two (32) years of age when the
- 3 person first applies and becomes eligible for benefits under
- 4 this chapter.
- 5 (3) A person:
- 6 (A) whose mother or father:
- 7 (i) served in the armed forces of the United States during a
- 8 war or performed duty equally hazardous that was
- 9 recognized by the award of a service or campaign medal of
- 10 the United States;
- 11 (ii) suffered a service connected death or disability as
- 12 determined by the United States Department of Veterans
- 13 Affairs;
- 14 (iii) received any discharge or separation from the armed
- 15 forces other than a dishonorable discharge; and
- 16 (iv) either listed Indiana as home of record at the time of
- 17 enlistment in the armed forces of the United States or
- 18 resided in Indiana at least five (5) years before the person
- 19 first applies for benefits under this chapter;
- 20 (B) who is eligible to pay the resident tuition rate at the state
- 21 educational institution the person will attend, as determined by
- 22 the institution;
- 23 (C) who possesses the requisite academic qualifications;
- 24 (D) **who**, if the person was adopted by the person's mother or
- 25 father, was adopted before the person was eighteen (18) years
- 26 of age; and
- 27 (E) **who** is not more than thirty-two (32) years of age when the
- 28 person first applies and becomes eligible for benefits under
- 29 this chapter.

30 SECTION 149. IC 22-1-1-8 IS AMENDED TO READ AS
 31 FOLLOWS [EFFECTIVE JULY 1, 2012]: Sec. 8. The commissioner
 32 of labor may do the following:

- 33 (1) Make or cause to be made all necessary inspections to see that
- 34 all of the laws and rules enacted or adopted for that purpose and
- 35 that the department is required to enforce are promptly and
- 36 effectively administered and executed.
- 37 (2) Collect, collate, and publish statistical and other information
- 38 relating to working conditions in this state and to the enforcement
- 39 of this chapter and such rules as may be necessary to the
- 40 advancement of the purposes of this chapter, but no publicity of
- 41 any information involving the name or identity of any employer,
- 42 employee, or other person, firm, limited liability company, or

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1 corporation shall be given. It shall be unlawful for the
2 commissioner or any person to divulge, or to make known in any
3 way not provided by law, to any person the operation, style of
4 work, or apparatus of any employer, or the amount or sources of
5 income, profits, losses, expenditures, or any part thereof obtained
6 by him in the discharge of his official duties.

7 (3) Except as otherwise provided by law, employ, promote, and
8 remove clerks, inspectors, and other employees as needed or as
9 the service of the department of labor may require, and with the
10 approval of the governor, within the appropriation therefor, fix
11 their compensation and to assign to them their duties. ~~Employees~~
12 ~~of the department are covered by IC 4-15-2.~~

13 (4) Promote the voluntary arbitration, mediation, and conciliation
14 of disputes between employers and employees, for the purpose of
15 avoiding strikes, lockouts, boycotts, blacklists, discrimination,
16 and legal proceedings in matters of employment. The
17 commissioner may appoint temporary boards of arbitration,
18 provide for the payment of the necessary expenses of the boards,
19 order reasonable compensation paid to each member engaged in
20 arbitration, prescribe and adopt rules of procedure for arbitration
21 boards, conduct investigations and hearings, publish reports and
22 advertisements, and do all other things convenient and necessary
23 to accomplish the purpose of this chapter. The commissioner may
24 designate an employee of the department to act as chief mediator
25 and may detail other employees, from time to time, to act as ~~his~~
26 **the commissioner's** assistants for the purpose of executing this
27 chapter. Any employee of the department who may act on a
28 temporary board shall serve without extra compensation.

29 SECTION 150. IC 22-3-7-9, AS AMENDED BY P.L.168-2011,
30 SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
31 UPON PASSAGE]: Sec. 9. (a) As used in this chapter, "employer"
32 includes the state and any political subdivision, any municipal
33 corporation within the state, any individual or the legal representative
34 of a deceased individual, firm, association, limited liability company,
35 or corporation or the receiver or trustee of the same, using the services
36 of another for pay. A parent corporation and its subsidiaries shall each
37 be considered joint employers of the corporation's, the parent's, or the
38 subsidiaries' employees for purposes of sections 6 and 33 of this
39 chapter. Both a lessor and a lessee of employees shall each be
40 considered joint employers of the employees provided by the lessor to
41 the lessee for purposes of sections 6 and 33 of this chapter. The term
42 also includes an employer that provides on-the-job training under the

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1 federal School to Work Opportunities Act (20 U.S.C. 6101 et seq.) to
 2 the extent set forth under section 2.5 of this chapter. If the employer is
 3 insured, the term includes the employer's insurer so far as applicable.
 4 However, the inclusion of an employer's insurer within this definition
 5 does not allow an employer's insurer to avoid payment for services
 6 rendered to an employee with the approval of the employer. The term
 7 does not include a nonprofit corporation that is recognized as tax
 8 exempt under Section 501(c)(3) of the Internal Revenue Code (as
 9 defined in IC 6-3-1-11(a)) to the extent the corporation enters into an
 10 independent contractor agreement with a person for the performance
 11 of youth coaching services on a part-time basis.

12 (b) As used in this chapter, "employee" means every person,
 13 including a minor, in the service of another, under any contract of hire
 14 or apprenticeship written or implied, except one whose employment is
 15 both casual and not in the usual course of the trade, business,
 16 occupation, or profession of the employer. For purposes of this chapter
 17 the following apply:

18 (1) Any reference to an employee who has suffered disablement,
 19 when the employee is dead, also includes the employee's legal
 20 representative, dependents, and other persons to whom
 21 compensation may be payable.

22 (2) An owner of a sole proprietorship may elect to include the
 23 owner as an employee under this chapter if the owner is actually
 24 engaged in the proprietorship business. If the owner makes this
 25 election, the owner must serve upon the owner's insurance carrier
 26 and upon the board written notice of the election. No owner of a
 27 sole proprietorship may be considered an employee under this
 28 chapter unless the notice has been received. If the owner of a sole
 29 proprietorship:

30 (A) is an independent contractor in the construction trades and
 31 does not make the election provided under this subdivision,
 32 the owner must obtain a certificate of exemption under section
 33 34.5 of this chapter; or

34 (B) is an independent contractor and does not make the
 35 election provided under this subdivision, the owner may obtain
 36 a certificate of exemption under ~~IC 22-3-2-14.5~~ **section 34.5**
 37 **of this chapter.**

38 (3) A partner in a partnership may elect to include the partner as
 39 an employee under this chapter if the partner is actually engaged
 40 in the partnership business. If a partner makes this election, the
 41 partner must serve upon the partner's insurance carrier and upon
 42 the board written notice of the election. No partner may be

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considered an employee under this chapter until the notice has been received. If a partner in a partnership:

(A) is an independent contractor in the construction trades and does not make the election provided under this subdivision, the partner must obtain a certificate of exemption under section 34.5 of this chapter; or

(B) is an independent contractor and does not make the election provided under this subdivision, the partner may obtain a certificate of exemption under ~~IC 22-3-2-14.5~~. **section 34.5 of this chapter.**

(4) Real estate professionals are not employees under this chapter if:

- (A) they are licensed real estate agents;
- (B) substantially all their remuneration is directly related to sales volume and not the number of hours worked; and
- (C) they have written agreements with real estate brokers stating that they are not to be treated as employees for tax purposes.

(5) A person is an independent contractor in the construction trades and not an employee under this chapter if the person is an independent contractor under the guidelines of the United States Internal Revenue Service.

(6) An owner-operator that provides a motor vehicle and the services of a driver under a written contract that is subject to IC 8-2.1-24-23, 45 IAC 16-1-13, or 49 CFR 376, to a motor carrier is not an employee of the motor carrier for purposes of this chapter. The owner-operator may elect to be covered and have the owner-operator's drivers covered under a worker's compensation insurance policy or authorized self-insurance that insures the motor carrier if the owner-operator pays the premiums as requested by the motor carrier. An election by an owner-operator under this subdivision does not terminate the independent contractor status of the owner-operator for any purpose other than the purpose of this subdivision.

(7) An unpaid participant under the federal School to Work Opportunities Act (20 U.S.C. 6101 et seq.) is an employee to the extent set forth under section 2.5 of this chapter.

(8) A person who enters into an independent contractor agreement with a nonprofit corporation that is recognized as tax exempt under Section 501(c)(3) of the Internal Revenue Code (as defined in IC 6-3-1-11(a)) to perform youth coaching services on a part-time basis is not an employee for purposes of this chapter.

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1 (9) An officer of a corporation who is the sole officer of the
2 corporation is an employee of the corporation under this chapter.
3 An officer of a corporation who is the sole officer of the
4 corporation may elect not to be an employee of the corporation
5 under this chapter. If an officer makes this election, the officer
6 must serve written notice of the election on the corporation's
7 insurance carrier and the board. An officer of a corporation who
8 is the sole officer of the corporation may not be considered to be
9 excluded as an employee under this chapter until the notice is
10 received by the insurance carrier and the board.

11 (c) As used in this chapter, "minor" means an individual who has
12 not reached seventeen (17) years of age. A minor employee shall be
13 considered as being of full age for all purposes of this chapter.
14 However, if the employee is a minor who, at the time of the last
15 exposure, is employed, required, suffered, or permitted to work in
16 violation of the child labor laws of this state, the amount of
17 compensation and death benefits, as provided in this chapter, shall be
18 double the amount which would otherwise be recoverable. The
19 insurance carrier shall be liable on its policy for one-half (1/2) of the
20 compensation or benefits that may be payable on account of the
21 disability or death of the minor, and the employer shall be wholly liable
22 for the other one-half (1/2) of the compensation or benefits. If the
23 employee is a minor who is not less than sixteen (16) years of age and
24 who has not reached seventeen (17) years of age, and who at the time
25 of the last exposure is employed, suffered, or permitted to work at any
26 occupation which is not prohibited by law, the provisions of this
27 subsection prescribing double the amount otherwise recoverable do not
28 apply. The rights and remedies granted to a minor under this chapter on
29 account of disease shall exclude all rights and remedies of the minor,
30 the minor's parents, the minor's personal representatives, dependents,
31 or next of kin at common law, statutory or otherwise, on account of any
32 disease.

33 (d) This chapter does not apply to casual laborers as defined in
34 subsection (b), nor to farm or agricultural employees, nor to household
35 employees, nor to railroad employees engaged in train service as
36 engineers, firemen, conductors, brakemen, flagmen, baggagemen, or
37 foremen in charge of yard engines and helpers assigned thereto, nor to
38 their employers with respect to these employees. Also, this chapter
39 does not apply to employees or their employers with respect to
40 employments in which the laws of the United States provide for
41 compensation or liability for injury to the health, disability, or death by
42 reason of diseases suffered by these employees.



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1 (e) As used in this chapter, "disablement" means the event of
 2 becoming disabled from earning full wages at the work in which the
 3 employee was engaged when last exposed to the hazards of the
 4 occupational disease by the employer from whom the employee claims
 5 compensation or equal wages in other suitable employment, and
 6 "disability" means the state of being so incapacitated.

7 (f) For the purposes of this chapter, no compensation shall be
 8 payable for or on account of any occupational diseases unless
 9 disablement, as defined in subsection (e), occurs within two (2) years
 10 after the last day of the last exposure to the hazards of the disease
 11 except for the following:

12 (1) In all cases of occupational diseases caused by the inhalation
 13 of silica dust or coal dust, no compensation shall be payable
 14 unless disablement, as defined in subsection (e), occurs within
 15 three (3) years after the last day of the last exposure to the hazards
 16 of the disease.

17 (2) In all cases of occupational disease caused by the exposure to
 18 radiation, no compensation shall be payable unless disablement,
 19 as defined in subsection (e), occurs within two (2) years from the
 20 date on which the employee had knowledge of the nature of the
 21 employee's occupational disease or, by exercise of reasonable
 22 diligence, should have known of the existence of such disease and
 23 its causal relationship to the employee's employment.

24 (3) In all cases of occupational diseases caused by the inhalation
 25 of asbestos dust, no compensation shall be payable unless
 26 disablement, as defined in subsection (e), occurs within three (3)
 27 years after the last day of the last exposure to the hazards of the
 28 disease if the last day of the last exposure was before July 1, 1985.

29 (4) In all cases of occupational disease caused by the inhalation
 30 of asbestos dust in which the last date of the last exposure occurs
 31 on or after July 1, 1985, and before July 1, 1988, no compensation
 32 shall be payable unless disablement, as defined in subsection (e),
 33 occurs within twenty (20) years after the last day of the last
 34 exposure.

35 (5) In all cases of occupational disease caused by the inhalation
 36 of asbestos dust in which the last date of the last exposure occurs
 37 on or after July 1, 1988, no compensation shall be payable unless
 38 disablement (as defined in subsection (e)) occurs within
 39 thirty-five (35) years after the last day of the last exposure.

40 (g) For the purposes of this chapter, no compensation shall be
 41 payable for or on account of death resulting from any occupational
 42 disease unless death occurs within two (2) years after the date of

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1 disablement. However, this subsection does not bar compensation for
2 death:

3 (1) where death occurs during the pendency of a claim filed by an
4 employee within two (2) years after the date of disablement and
5 which claim has not resulted in a decision or has resulted in a
6 decision which is in process of review or appeal; or

7 (2) where, by agreement filed or decision rendered, a
8 compensable period of disability has been fixed and death occurs
9 within two (2) years after the end of such fixed period, but in no
10 event later than three hundred (300) weeks after the date of
11 disablement.

12 (h) As used in this chapter, "billing review service" refers to a
13 person or an entity that reviews a medical service provider's bills or
14 statements for the purpose of determining pecuniary liability. The term
15 includes an employer's worker's compensation insurance carrier if the
16 insurance carrier performs such a review.

17 (i) As used in this chapter, "billing review standard" means the data
18 used by a billing review service to determine pecuniary liability.

19 (j) As used in this chapter, "community" means a geographic service
20 area based on ZIP code districts defined by the United States Postal
21 Service according to the following groupings:

22 (1) The geographic service area served by ZIP codes with the first
23 three (3) digits 463 and 464.

24 (2) The geographic service area served by ZIP codes with the first
25 three (3) digits 465 and 466.

26 (3) The geographic service area served by ZIP codes with the first
27 three (3) digits 467 and 468.

28 (4) The geographic service area served by ZIP codes with the first
29 three (3) digits 469 and 479.

30 (5) The geographic service area served by ZIP codes with the first
31 three (3) digits 460, 461 (except 46107), and 473.

32 (6) The geographic service area served by the 46107 ZIP code and
33 ZIP codes with the first three (3) digits 462.

34 (7) The geographic service area served by ZIP codes with the first
35 three (3) digits 470, 471, 472, 474, and 478.

36 (8) The geographic service area served by ZIP codes with the first
37 three (3) digits 475, 476, and 477.

38 (k) As used in this chapter, "medical service provider" refers to a
39 person or an entity that provides medical services, treatment, or
40 supplies to an employee under this chapter.

41 (l) As used in this chapter, "pecuniary liability" means the
42 responsibility of an employer or the employer's insurance carrier for the

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1 payment of the charges for each specific service or product for human
 2 medical treatment provided under this chapter in a defined community,
 3 equal to or less than the charges made by medical service providers at
 4 the eightieth percentile in the same community for like services or
 5 products.

6 SECTION 151. IC 22-4-3-4, AS ADDED BY P.L.2-2011,
 7 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 8 UPON PASSAGE]: Sec. 4. (a) **Except as provided in subsection (b),**
 9 an individual is not totally unemployed, part-totally unemployed, or
 10 partially unemployed for any week in which the department finds that
 11 the individual: ~~is:~~

12 (1) ~~is~~ on a vacation week; and

13 (2) ~~is~~ receiving, or has received, remuneration from the employer
 14 for that week.

15 (b) Subsection (a) does not apply to an individual whose employer
 16 fails to comply with a department rule or policy regarding the filing of
 17 a notice, report, information, or claim in connection with an individual,
 18 group, or mass separation arising from the vacation period.

19 SECTION 152. IC 22-4-3-5, AS ADDED BY P.L.2-2011,
 20 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 21 UPON PASSAGE]: Sec. 5. (a) **Except as provided in subsection (c)**
 22 **and subject to subsection (b),** an individual is not totally unemployed,
 23 part-totally unemployed, or partially unemployed for any week in
 24 which the department finds the individual:

25 (1) is on a vacation week; and

26 (2) has not received remuneration from the employer for that
 27 week, because of:

28 (A) a written contract between the employer and the
 29 employees; or

30 (B) the employer's regular vacation policy and practice.

31 (b) Subsection (a) applies only if the department finds that the
 32 individual has a reasonable assurance that the individual will have
 33 employment available with the employer after the vacation period ends.

34 (c) Subsection (a) does not apply to an individual whose employer
 35 fails to comply with a department rule or policy regarding the filing of
 36 a notice, report, information, or claim in connection with an individual,
 37 group, or mass separation arising from the vacation period.

38 SECTION 153. IC 22-4-11-2, AS AMENDED BY P.L.2-2011,
 39 SECTION 9, AND AS AMENDED BY P.L.42-2011, SECTION 39, IS
 40 CORRECTED AND AMENDED TO READ AS FOLLOWS
 41 [EFFECTIVE UPON PASSAGE]: Sec. 2. (a) Except as provided in
 42 *IC 22-4-10-6 and IC 22-4-11.5*, the department shall for each year

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1 determine the contribution rate applicable to each employer.

2 (b) The balance shall include contributions with respect to the
3 period ending on the computation date and actually paid on or before
4 July 31 immediately following the computation date and benefits
5 actually paid on or before the computation date and shall also include
6 any voluntary payments made in accordance with IC 22-4-10-5 or
7 IC 22-4-10-5.5 (repealed):

8 (1) for each calendar year, an employer's rate shall be determined
9 in accordance with the rate schedules in section 3.3 or 3.5 of this
10 chapter; and

11 (2) for each calendar year, an employer's rate shall be two and
12 seven-tenths percent (2.7%) before January 1, 2011, and two and
13 five-tenths percent (2.5%) after December 31, 2010, except as
14 otherwise provided in IC 22-4-37-3, unless: ~~and until:~~

15 (A) the employer has been subject to this article throughout
16 the thirty-six (36) consecutive calendar months immediately
17 preceding the computation date; ~~and~~

18 (B) there has been some annual payroll in each of the three (3)
19 twelve (12) month periods immediately preceding the
20 computation date; *and*

21 (C) *the employer has properly filed all required contribution
22 and wage reports, and all contributions, penalties, and
23 interest due and owing by the employer or the employer's
24 predecessors have been paid.*

25 (c) This subsection applies before January 1, 2011. In addition to the
26 conditions and requirements set forth and provided in subsection
27 (b)(2)(A) and (b)(2)(B), an employer's rate shall not be less than five
28 and six-tenths percent (5.6%) unless all required contribution and wage
29 reports have been filed within thirty-one (31) days following the
30 computation date and all contributions, penalties, and interest due and
31 owing by the employer or the employer's predecessors for periods prior
32 to and including the computation date have been paid:

33 (1) within thirty-one (31) days following the computation date; or

34 (2) within ten (10) days after the department has given the
35 employer a written notice by registered mail to the employer's last
36 known address of:

37 (A) the delinquency; or

38 (B) failure to file the reports;

39 whichever is the later date.

40 The board or the board's designee may waive the imposition of rates
41 under this subsection if the board finds the employer's failure to meet
42 the deadlines was for excusable cause. The department shall give

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1 written notice to the employer before this additional condition or
2 requirement shall apply.

3 (d) This subsection applies after December 31, 2010. In addition to
4 the conditions and requirements set forth and provided in subsection
5 (b)(2)(A), ~~and~~ (b)(2)(B), and (b)(2)(C), an employer's rate is equal to
6 the sum of the employer's contribution rate determined *or estimated by*
7 *the department* under this article plus two percent (2%) unless all
8 required contributions and wage reports have been filed within
9 thirty-one (31) days following the computation date and all
10 contributions, penalties, and interest due and owing by the employer or
11 the employer's predecessor for periods before and including the
12 computation date have been paid:

- 13 (1) within thirty-one (31) days following the computation date; or
14 (2) within ten (10) days after the department has given the
15 employer a written notice by registered mail to the employer's last
16 known address of:

- 17 (A) the delinquency; or
18 (B) failure to file the reports;

19 whichever is the later date. The board or the board's designee may
20 waive the imposition of rates under this subsection if the board finds
21 the employer's failure to meet the deadlines was for excusable cause.
22 The department shall give written notice to the employer before this
23 additional condition or requirement shall apply. *An employer's rate*
24 *under this subsection may not exceed twelve percent (12%).*

25 (e) However, if the employer is the state or a political subdivision
26 of the state or any instrumentality of a state or a political subdivision,
27 or any instrumentality which is wholly owned by the state and one (1)
28 or more other states or political subdivisions, the employer may
29 contribute at a rate of:

- 30 (1) one percent (1%), before January 1, 2011; or
31 (2) one and six-tenths percent (1.6%), after December 31, 2010;
32 until it has been subject to this article throughout the thirty-six (36)
33 consecutive calendar months immediately preceding the computation
34 date.

35 (f) On the computation date every employer who had taxable wages
36 in the previous calendar year shall have the employer's experience
37 account charged with the amount determined under the following
38 formula:

39 STEP ONE: Divide:

- 40 (A) the employer's taxable wages for the preceding calendar
41 year; by
42 (B) the total taxable wages for the preceding calendar year.



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1 STEP TWO: Multiply the quotient determined under STEP ONE
2 by the total amount of benefits charged to the fund under section
3 1 of this chapter.

4 (g) One (1) percentage point of the rate imposed under subsection
5 (c) or (d), or the amount of the employer's payment that is attributable
6 to the increase in the contribution rate, whichever is less, shall be
7 imposed as a penalty that is due and shall be deposited upon collection
8 into the special employment and training services fund established
9 under IC 22-4-25-1. The remainder of the contributions paid by an
10 employer pursuant to the maximum rate shall be:

- 11 (1) considered a contribution for the purposes of this article; and
- 12 (2) deposited in the unemployment insurance benefit fund
- 13 established under IC 22-4-26.

14 SECTION 154. IC 22-4-11-3, AS AMENDED BY P.L.2-2011,
15 SECTION 10, AND AS AMENDED BY P.L.42-2011, SECTION 40,
16 IS CORRECTED AND AMENDED TO READ AS FOLLOWS
17 [EFFECTIVE UPON PASSAGE]: Sec. 3. (a) The applicable schedule
18 of rates for calendar years before January 1, 2011, shall be determined
19 by the ratio resulting when the balance in the fund as of the
20 determination date is divided by the total payroll of all subject
21 employers for the immediately preceding calendar year. Schedule A,
22 B, C, or D, appearing on the line opposite the fund ratio in the schedule
23 below, shall be applicable in determining and assigning each
24 employer's contribution rate for the calendar year immediately
25 following the determination date. For the purposes of this subsection,
26 "total payroll" means total remuneration reported by all contributing
27 employers as required by this article and does not include the total
28 payroll of any employer who elected to become liable for payments in
29 lieu of contributions (as defined in IC 22-4-2-32). For the purposes of
30 this subsection, "subject employers" means those employers who are
31 subject to contribution.

32 FUND RATIO SCHEDULE

33 When the Fund Ratio Is:

34			Applicable
35	As Much As	But Less Than	Schedule
36		1.0%	A
37	1.0%	1.5%	B
38	1.5%	2.25%	C
39	2.25%		D

40 (b) Except as provided in subsection (c), the applicable schedule of
41 rates for calendar years after December 31, 2010, shall be determined
42 by the ratio resulting when the balance in the fund as of the

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1 determination date is divided by the total payroll of all subject
 2 employers for the immediately preceding calendar year. Schedules A
 3 through I appearing on the line opposite the fund ratio in the schedule
 4 below are applicable in determining and assigning each employer's
 5 contribution rate for the calendar year immediately following the
 6 determination date. For purposes of this subsection, "total payroll"
 7 means total remuneration reported by all contributing employers as
 8 required by this article and does not include the total payroll of any
 9 employer who elected to become liable for payments in lieu of
 10 contributions (as defined in IC 22-4-2-32). For purposes of this
 11 subsection, "subject employers" means those employers who are
 12 subject to contribution.

13 FUND RATIO SCHEDULE

14 When the Fund Ratio Is:

15	As Much As	But Less Than	Applicable Schedule
16		0.2%	A
17	0.2%	0.4%	B
18	0.4%	0.6%	C
19	0.6%	0.8%	D
20	0.8%	1.0%	E
21	1.0%	1.2%	F
22	1.2%	1.4%	G
23	1.4%	1.6%	H
24	1.6%		I

25
 26 (c) For calendar ~~year 2011 only~~, years 2011 through 2020, Schedule
 27 ~~B E~~ applies in determining and assigning each employer's contribution
 28 rate.

29 (d) Any adjustment in the amount charged to any employer's
 30 experience account made subsequent to the assignment of rates of
 31 contributions for any calendar year shall not operate to alter the amount
 32 charged to the experience accounts of any other base-period employers.

33 SECTION 155. IC 22-4-18-6, AS AMENDED BY P.L.234-2007,
 34 SECTION 142, IS AMENDED TO READ AS FOLLOWS
 35 [EFFECTIVE UPON PASSAGE]: Sec. 6. (a) The department shall
 36 develop a uniform system for assessing workforce skills, strengths, and
 37 weaknesses in individuals.

38 (b) The uniform assessment system shall be used at the following:
 39 (1) One stop centers under IC 22-4-42, if established.
 40 (2) Career and technical education (as defined in ~~IC 22-4-1-13-5~~)
 41 **IC 20-20-38-1**) programs at the secondary level.

42 SECTION 156. IC 22-4.1-18-2, AS ADDED BY P.L.7-2011,

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1 SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
2 UPON PASSAGE]: Sec. 2. The department may grant a general
3 educational development (GED) diploma to an individual who achieves
4 satisfactory high school level scores on the general educational
5 development (GED) test or any other properly validated ~~tests~~ test of
6 comparable difficulty designated by the council.

7 SECTION 157. IC 22-5-1.7-2, AS ADDED BY P.L.171-2011,
8 SECTION 16, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
9 UPON PASSAGE]: Sec. 2. As used in this chapter, "contractor" means
10 a person that:

- 11 (1) has entered into; or
 - 12 (2) is attempting to enter into;
- 13 a public contract for services with a state agency or political
14 subdivision.

15 SECTION 158. IC 22-5-1.7-17, AS ADDED BY P.L.171-2011,
16 SECTION 16, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
17 UPON PASSAGE]: Sec. 17. (a) If a contractor determines that a
18 subcontractor is in violation of this chapter, the contractor may
19 terminate a contract with the subcontractor for the violation.

20 (b) **The termination of** a contract ~~terminated~~ under subsection (a)
21 for a violation of this chapter by a subcontractor may not be considered
22 a breach of contract by the contractor or the subcontractor.

23 (c) A subcontractor may file an action with a circuit or superior
24 court having jurisdiction in the county to challenge a termination of a
25 contract under subsection (a) not later than twenty (20) days after the
26 contractor terminates the contract with the subcontractor.

27 SECTION 159. IC 22-8-1.1-42, AS AMENDED BY P.L.32-2008,
28 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
29 JULY 1, 2012]: Sec. 42. The director and staff of INSafe shall be
30 selected and appointed by the commissioner under ~~the provisions of~~
31 ~~IC 4-15-2; IC 4-15-2.2.~~

32 SECTION 160. IC 22-10-1.5-7, AS AMENDED BY P.L.35-2007,
33 SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
34 JULY 1, 2012]: Sec. 7. (a) The director shall employ, subject to

- 35 ~~(1) IC 4-15-2; and~~
 - 36 ~~(2)~~ appropriation by the general assembly for the position of chief
37 mine inspector,
- 38 a chief mine inspector who has an Indiana mine examiner certificate
39 and at least three (3) years underground mining experience.

40 (b) The chief mining inspector is entitled to receive an annual salary
41 to be fixed by the commissioner of labor with the approval of the
42 governor.

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1 (c) The director may, subject to ~~IC 4-15-2~~, **IC 4-15-2.2**, employ
2 other mine inspectors and clerical employees.

3 (d) The director may:

- 4 (1) contract with any person to provide training for mine
5 employees;
6 (2) provide mine rescue training for mine employees; and
7 (3) furnish mine rescue equipment at the site of mine accidents.

8 (e) The director shall:

- 9 (1) collect and index all active and inactive underground mine
10 maps; and
11 (2) supervise and direct the state mine inspectors.

12 SECTION 161. IC 23-14-31-26, AS AMENDED BY P.L.34-2011,
13 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
14 UPON PASSAGE]: Sec. 26. (a) Except as provided in subsection (c),
15 the following persons, in the priority listed, have the right to serve as
16 an authorizing agent:

17 (1) A person:

- 18 (A) granted the authority to serve in a funeral planning
19 declaration executed by the decedent under IC 29-2-19; or
20 (B) named in a United States Department of Defense form
21 "Record of Emergency Data" (DD Form 93) or a successor
22 form adopted by the United States Department of Defense, if
23 the decedent died while serving in any branch of the United
24 States Armed Forces (as defined in 10 U.S.C. 1481) and
25 completed the form.

26 (2) An individual specifically granted the authority to serve in a
27 power of attorney or a health care power of attorney executed by
28 the decedent under IC 30-5-5-16.

29 (3) The individual who was the spouse of the decedent at the time
30 of the decedent's death, except when:

- 31 (A) a petition to dissolve the marriage or for legal separation
32 of the decedent and spouse is pending with a court at the time
33 of the decedent's death, unless a court finds that the decedent
34 and spouse were reconciled before the decedent's death; or
35 (B) a court determines the decedent and spouse were
36 physically and emotionally separated at the time of death and
37 the separation was for an extended time that clearly
38 demonstrates an absence of due affection, trust, and regard for
39 the decedent.

40 (4) The decedent's surviving adult child or, if more than one (1)
41 adult child is surviving, the majority of the adult children.
42 However, less than half of the surviving adult children have the

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1 rights under this subdivision if the adult children have used
 2 reasonable efforts to notify the other surviving adult children of
 3 their intentions and are not aware of any opposition to the final
 4 disposition instructions by more than half of the surviving adult
 5 children.

6 (5) The decedent's surviving parent or parents. If one (1) of the
 7 parents is absent, the parent who is present has authority under
 8 this subdivision if the parent who is present has used reasonable
 9 efforts to notify the absent parent.

10 (6) The decedent's surviving sibling or, if more than one (1)
 11 sibling is surviving, the majority of the surviving siblings.
 12 However, less than half of the surviving siblings have the rights
 13 under this subdivision if the siblings have used reasonable efforts
 14 to notify the other surviving siblings of their intentions and are
 15 not aware of any opposition to the final disposition instructions by
 16 more than half of the surviving siblings.

17 (7) The individual in the next degree of kinship under IC 29-1-2-1
 18 to inherit the estate of the decedent or, if more than one (1)
 19 individual of the same degree is surviving, the majority of those
 20 who ~~have are of~~ the same degree. However, less than half of the
 21 individuals who ~~have are of~~ the same degree of kinship have the
 22 rights under this subdivision if they have used reasonable efforts
 23 to notify the other individuals who ~~have are of~~ the same degree
 24 of kinship of their intentions and are not aware of any opposition
 25 to the final disposition instructions by more than half of the
 26 individuals who ~~have are of~~ the same degree of kinship.

27 (8) If none of the persons described in subdivisions (1) through
 28 (7) are available, any other person willing to act and arrange for
 29 the final disposition of the ~~decedent~~, **decedent's remains**,
 30 including a funeral home that:

31 (A) has a valid prepaid funeral plan executed under IC 30-2-13
 32 that makes arrangements for the disposition of the ~~decedent~~;
 33 **decedent's remains**; and

34 (B) attests in writing that a good faith effort has been made to
 35 contact any living individuals described in subdivisions (1)
 36 through (7).

37 (9) In the case of an indigent or other individual whose final
 38 disposition is the responsibility of the state or township, the
 39 following may serve as the authorizing agent:

40 (A) If none of the persons identified in subdivisions (1)
 41 through (8) are available:

42 (i) a public administrator, including a responsible township

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1 trustee or the trustee's designee; or
 2 (ii) the coroner.
 3 (B) A state appointed guardian.
 4 However, an indigent decedent may not be cremated if a
 5 surviving family member objects to the cremation or if cremation
 6 would be contrary to the religious practices of the deceased
 7 individual as expressed by the individual or the individual's
 8 family.
 9 (10) In the absence of any person under subdivisions (1) through
 10 (9), any person willing to assume the responsibility as the
 11 authorizing agent, as specified in this article.
 12 (b) When a body part of a nondeceased individual is to be cremated,
 13 a representative of the institution that has arranged with the crematory
 14 authority to cremate the body part may serve as the authorizing agent.
 15 (c) If:
 16 (1) the death of the decedent appears to have been the result of:
 17 (A) murder (IC 35-42-1-1);
 18 (B) voluntary manslaughter (IC 35-42-1-3); or
 19 (C) another criminal act, if the death does not result from the
 20 operation of a vehicle; and
 21 (2) the coroner, in consultation with the law enforcement agency
 22 investigating the death of the decedent, determines that there is a
 23 reasonable suspicion that a person described in subsection (a)
 24 committed the offense;
 25 the person referred to in subdivision (2) may not serve as the
 26 authorizing agent.
 27 (d) The coroner, in consultation with the law enforcement agency
 28 investigating the death of the decedent, shall inform the crematory
 29 authority of the determination referred to in subsection (c)(2).
 30 (e) If a person vested with a right under subsection (a) does not
 31 exercise that right not later than seventy-two (72) hours after the person
 32 receives notification of the death of the decedent, the person forfeits the
 33 person's right to determine the final disposition of the ~~decedent;~~
 34 **decedent's remains**, and the right to determine final disposition passes
 35 to the next person described in subsection (a).
 36 (f) A crematory authority owner has the right to rely, in good faith,
 37 on the representations of a person listed in subsection (a) that any other
 38 individuals ~~on~~ of the same degree of kinship have been notified of the
 39 final disposition instructions.
 40 (g) If there is a dispute concerning the disposition of a ~~decedent;~~
 41 **decedent's remains**, a crematory authority is not liable for refusing to
 42 accept the remains of the decedent until the crematory authority

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1 receives:
2 (1) a court order; or
3 (2) a written agreement signed by the disputing parties;
4 that determines the final disposition of the ~~decedent~~. **decedent's**
5 **remains**. If a crematory authority agrees to shelter the remains of the
6 decedent while the parties are in dispute, the crematory authority may
7 collect any applicable fees for storing the remains, including legal fees
8 that are incurred.
9 (h) Any cause of action filed under this section must be filed in the
10 probate court in the county where the decedent resided, unless the
11 decedent was not a resident of Indiana.
12 (i) A spouse seeking a judicial determination under subsection
13 (a)(3)(A) that the decedent and spouse were reconciled before the
14 decedent's death may petition the court having jurisdiction over the
15 dissolution or separation proceeding to make this determination by
16 filing the petition under the same cause number as the dissolution or
17 separation proceeding. A spouse who files a petition under this
18 subsection is not required to pay a filing fee.
19 SECTION 162. IC 23-14-55-1, AS AMENDED BY P.L.34-2011,
20 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
21 UPON PASSAGE]: Sec. 1. (a) An individual who signs an
22 authorization for the cremation, interment, entombment, or inurnment
23 of any human remains:
24 (1) is considered to warrant the truthfulness of:
25 (A) any fact set forth in the authorization;
26 (B) the identity of the person for whose remains cremation,
27 interment, entombment, or inurnment is sought; and
28 (C) the individual's authority to order the cremation, interment,
29 entombment, or inurnment; and
30 (2) is personally and individually liable to pay damages in
31 compensation for harm that:
32 (A) is caused by; or
33 (B) results from;
34 the signing of the authorization for cremation, interment,
35 entombment, or inurnment.
36 (b) A cemetery or crematory that relies in good faith on a signed
37 authorization for the cremation, interment, entombment, or inurnment
38 of human remains is not civilly or criminally liable or subject to
39 disciplinary actions for carrying out the disposition of the ~~decedent~~
40 **decedent's remains** in accordance with the instructions in the
41 authorization.
42 SECTION 163. IC 23-14-55-2, AS AMENDED BY P.L.34-2011,

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1 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
2 UPON PASSAGE]: Sec. 2. (a) Except as provided in subsection (c),
3 the owner of a cemetery is authorized to inter, entomb, or inurn the
4 body or cremated remains of a deceased human upon the receipt of a
5 written authorization of an individual who professes either of the
6 following:

7 (1) To be (in the priority listed) one (1) of the following:

8 (A) An individual granted the authority to serve in a funeral
9 planning declaration executed by the decedent under
10 IC 29-2-19, or the person named in a United States
11 Department of Defense form "Record of Emergency Data"
12 (DD Form 93) or a successor form adopted by the United
13 States Department of Defense, if the decedent died while
14 serving in any branch of the United States Armed Forces (as
15 defined in 10 U.S.C. 1481) and completed the form.

16 (B) An individual specifically granted the authority in a power
17 of attorney or a health care power of attorney executed by the
18 decedent under IC 30-5-5-16.

19 (C) The individual who was the spouse of the decedent at the
20 time of the decedent's death, except when:

21 (i) a petition to dissolve the marriage or for legal separation
22 of the decedent and spouse is pending with a court at the
23 time of the decedent's death, unless a court finds that the
24 decedent and spouse were reconciled before the decedent's
25 death; or

26 (ii) a court determines the decedent and spouse were
27 physically and emotionally separated at the time of death
28 and the separation was for an extended time that clearly
29 demonstrates an absence of due affection, trust, and regard
30 for the decedent.

31 (D) The decedent's surviving adult child or, if more than one
32 (1) adult child is surviving, the majority of the adult children.
33 However, less than half of the surviving adult children have
34 the rights under this clause if the adult children have used
35 reasonable efforts to notify the other surviving adult children
36 of their intentions and are not aware of any opposition to the
37 final disposition instructions by more than half of the surviving
38 adult children.

39 (E) The decedent's surviving parent or parents. If one (1) of the
40 parents is absent, the parent who is present has authority under
41 this clause if the parent who is present has used reasonable
42 efforts to notify the absent parent.

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1 (F) The decedent's surviving sibling or, if more than one (1)
 2 sibling is surviving, the majority of the surviving siblings.
 3 However, less than half of the surviving siblings have the
 4 rights under this clause if the siblings have used reasonable
 5 efforts to notify the other surviving siblings of their intentions
 6 and are not aware of any opposition to the final disposition
 7 instructions by more than half of the surviving siblings.
 8 (G) The individual in the next degree of kinship under
 9 IC 29-1-2-1 to inherit the estate of the decedent or, if more
 10 than one (1) individual of the same degree of kinship is
 11 surviving, the majority of those who ~~have~~ **are of** the same
 12 degree. However, less than half of the individuals who ~~have~~
 13 **are of** the same degree of kinship have the rights under this
 14 clause if they have used reasonable efforts to notify the other
 15 individuals who ~~have~~ **are of** the same degree of kinship of
 16 their intentions and are not aware of any opposition to the final
 17 disposition instructions by more than half of the individuals
 18 who ~~have~~ **are of** the same degree of kinship.
 19 (H) If none of the persons described in clauses (A) through (G)
 20 are available, any other person willing to act and arrange for
 21 the final disposition of the ~~decedent~~, **decedent's remains**,
 22 including a funeral home that:
 23 (i) has a valid prepaid funeral plan executed under
 24 IC 30-2-13 that makes arrangements for the disposition of
 25 the ~~decedent~~, **decedent's remains**; and
 26 (ii) attests in writing that a good faith effort has been made
 27 to contact any living individuals described in clauses (A)
 28 through (G).
 29 (2) To have acquired by court order the right to control the
 30 disposition of the deceased human body or cremated remains.
 31 The owner of a cemetery may accept the authorization of an individual
 32 only if all other individuals of the same priority or a higher priority
 33 (according to the priority listing in this subsection) are deceased, are
 34 barred from authorizing the disposition of the deceased human body or
 35 cremated remains under subsection (c), or are physically or mentally
 36 incapacitated from exercising the authorization, and the incapacity is
 37 certified to by a qualified medical doctor.
 38 (b) An action may not be brought against the owner of a cemetery
 39 relating to the remains of a human that have been left in the possession
 40 of the cemetery owner without permanent interment, entombment, or
 41 inurnment for a period of three (3) years, unless the cemetery owner
 42 has entered into a written contract for the care of the remains.

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1 (c) If:
2 (1) the death of the decedent appears to have been the result of:
3 (A) murder (IC 35-42-1-1);
4 (B) voluntary manslaughter (IC 35-42-1-3); or
5 (C) another criminal act, if the death does not result from the
6 operation of a vehicle; and
7 (2) the coroner, in consultation with the law enforcement agency
8 investigating the death of the decedent, determines that there is a
9 reasonable suspicion that a person described in subsection (a)
10 committed the offense;
11 the person referred to in subdivision (2) may not authorize the
12 disposition of the decedent's body or cremated remains.
13 (d) The coroner, in consultation with the law enforcement agency
14 investigating the death of the decedent, shall inform the cemetery
15 owner of the determination referred to in subsection (c)(2).
16 (e) If a person vested with a right under subsection (a) does not
17 exercise that right not less than seventy-two (72) hours after the person
18 receives notification of the death of the decedent, the person forfeits the
19 person's right to determine the final disposition of the ~~decedent~~
20 **decedent's remains** and the right to determine final disposition passes
21 to the next person described in subsection (a).
22 (f) A cemetery owner has the right to rely, in good faith, on the
23 representations of a person listed in subsection (a) that any other
24 individuals ~~on~~ of the same degree of kinship have been notified of the
25 final disposition instructions.
26 (g) If there is a dispute concerning the disposition of a ~~decedent~~,
27 **decedent's remains**, a cemetery owner is not liable for refusing to
28 accept the remains of the decedent until the cemetery owner receives:
29 (1) a court order; or
30 (2) a written agreement signed by the disputing parties;
31 that determines the final disposition of the ~~decedent~~. **decedent's**
32 **remains**. If a cemetery agrees to shelter the remains of the decedent
33 while the parties are in dispute, the cemetery may collect any
34 applicable fees for storing the remains, including legal fees that are
35 incurred.
36 (h) Any cause of action filed under this section must be filed in the
37 probate court in the county where the decedent resided, unless the
38 decedent was not a resident of Indiana.
39 (i) A spouse seeking a judicial determination under subsection
40 (a)(1)(C)(i) that the decedent and spouse were reconciled before the
41 decedent's death may petition the court having jurisdiction over the
42 dissolution or separation proceeding to make this determination by

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1 filing the petition under the same cause number as the dissolution or
 2 separation proceeding. A spouse who files a petition under this
 3 subsection is not required to pay a filing fee.

4 SECTION 164. IC 24-4.4-1-202, AS AMENDED BY P.L.89-2011,
 5 SECTION 3, AND AS AMENDED BY P.L.9-2011, SECTION 1, IS
 6 CORRECTED AND AMENDED TO READ AS FOLLOWS
 7 [EFFECTIVE UPON PASSAGE]: Sec. 202. (a) *As used in this section,*
 8 *"balloon payment", with respect to a mortgage transaction, means any*
 9 *payment that:*

- 10 (1) *the creditor requires the debtor to make at any time during the*
 11 *term of the mortgage;*
- 12 (2) *represents the entire amount of the outstanding balance with*
 13 *respect to the mortgage; and*
- 14 (3) *the entire amount of which is due as of a specified date or at*
 15 *the end of a specified period;*
 16 *if the aggregate amount of the minimum periodic payments required*
 17 *under the mortgage would not fully amortize the outstanding balance*
 18 *by the specified date or at the end of the specified period. The term*
 19 *does not include a payment required by a creditor under a due-on-sale*
 20 *clause (as defined in 12 U.S.C. 1701j-3(a)) or a payment required by*
 21 *a creditor under a provision in the mortgage that permits the creditor*
 22 *to accelerate the debt upon the debtor's default or failure to abide by*
 23 *the material terms of the mortgage.*

24 (b) This article does not apply to the following:

- 25 (1) Extensions of credit to government or governmental agencies
 26 or instrumentalities.
- 27 (2) A first lien mortgage transaction in which the debt is incurred
 28 primarily for a purpose other than a personal, family, or
 29 household purpose.
- 30 (3) An extension of credit primarily for a business, a commercial,
 31 or an agricultural purpose.
- 32 (4) Except for IC 24-4.4-2-401(2), IC 24-4.4-2-402.3,
 33 IC 24-4.4-2-405(4), and IC 24-4.4-2-405(5), a first lien mortgage
 34 transaction made:
 35 (a) in compliance with the requirements of; and
 36 (b) by a community development corporation (as defined in
 37 IC 4-4-28-2) acting as a subrecipient of funds from;
 38 the Indiana housing and community development authority
 39 established by IC 5-20-1-3.
- 40 (5) Except for IC 24-4.4-2-401(2), IC 24-4.4-2-402.3,
 41 IC 24-4.4-2-405(4), and IC 24-4.4-2-405(5), a first lien mortgage
 42 transaction made by an entity that exclusively uses funds provided

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- 1 by the United States Department of Housing and Urban
- 2 Development under Title 1 of the federal Housing and
- 3 Community Development Act of 1974, Public Law 93-383, as
- 4 amended (42 U.S.C. 5301 et seq.).
- 5 (6) An extension of credit originated by:
- 6 (a) a depository institution;
- 7 (b) subsidiaries that are:
- 8 (i) owned and controlled by a depository institution; and
- 9 (ii) regulated by a federal banking agency; or
- 10 (c) an institution regulated by the Farm Credit Administration.
- 11 (7) Except for IC 24-4.4-2-401(2), IC 24-4.4-2-402.3,
- 12 IC 24-4.4-2-405(4), and IC 24-4.4-2-405(5), a credit union service
- 13 organization that is majority owned, directly or indirectly, by one
- 14 (1) or more credit unions.
- 15 (8) A first lien mortgage transaction originated by:
- 16 (a) a registered mortgage loan originator, when acting for an
- 17 entity described in subsection (6) or (7); or
- 18 (b) an individual who:
- 19 (i) performs the duties of a mortgage loan originator for an
- 20 entity described in subsection (6) or (7); and
- 21 (ii) is required to be registered with the NMLSR not later
- 22 than July 29, 2011.
- 23 A privately insured state chartered credit union shall also comply
- 24 with the system of mortgage loan originator registration
- 25 developed by the Federal Financial Institutions Examinations
- 26 Council under Section 1507 of the federal Secure and Fair
- 27 Enforcement for Mortgage Licensing Act of 2008 (SAFE).
- 28 (9) An individual who offers or negotiates terms of a mortgage
- 29 transaction with or on behalf of an immediate family member of
- 30 the individual.
- 31 (10) An individual who offers or negotiates terms of a mortgage
- 32 transaction secured by a dwelling that served as the individual's
- 33 residence.
- 34 (11) Unless the attorney is compensated by:
- 35 (a) a lender;
- 36 (b) a mortgage broker;
- 37 (c) another mortgage loan originator; or
- 38 (d) any agent of the lender, mortgage broker, or other
- 39 mortgage loan originator described in clauses (a) through (c);
- 40 a licensed attorney who negotiates the terms of a mortgage
- 41 transaction on behalf of a client as an ancillary matter to the
- 42 attorney's representation of the client.

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- 1 (12) ~~Agencies, instrumentalities, and government owned~~
- 2 ~~corporations of~~ The United States, any state or local government,
- 3 or any agency or instrumentality of any governmental entity,
- 4 including United States government sponsored enterprises.
- 5 (13) A person in whose name a tablefunded transaction is closed,
- 6 as described in section 301(34)(a) of this chapter. However, the
- 7 exemption provided by this subsection does not apply if:
- 8 (a) the transaction:
- 9 (i) is secured by a dwelling that is a mobile home, a
- 10 manufactured home, or a trailer; and
- 11 (ii) is not also secured by an interest in land; and
- 12 (b) the person in whose name the transaction is closed, as
- 13 described in section 301(34)(a) of this chapter, sells the
- 14 dwelling to the debtor through a retail installment contract or
- 15 other similar transaction.
- 16 ~~(13)~~ **(14)** A bona fide nonprofit entity not operating in a
- 17 commercial context, as determined by the director, if the
- 18 following criteria are satisfied:
- 19 ~~(A)~~ **(a)** Subject to clause ~~(B)~~; **(b)**, the entity originates only one
- 20 (1) or both of the following types of mortgage transactions:
- 21 (i) Zero (0) interest first lien mortgage transactions.
- 22 (ii) Zero (0) interest subordinate lien mortgage transactions.
- 23 ~~(B)~~ **(b)** The entity does not require, under the terms of the
- 24 mortgage or otherwise, balloon payments with respect to the
- 25 mortgage transactions described in clause ~~(A)~~; **(a)**.
- 26 ~~(C)~~ **(c)** The entity is exempt from federal income taxation
- 27 under Section 501(c)(3) of the Internal Revenue Code.
- 28 ~~(D)~~ **(d)** The entity's primary purpose is to serve the public by
- 29 helping low income individuals and families build, repair, and
- 30 purchase housing.
- 31 ~~(E)~~ **(e)** The entity uses only:
- 32 (i) unpaid volunteers; or
- 33 (ii) employees whose compensation is not based on the
- 34 number or size of any mortgage transactions that the
- 35 employees originate;
- 36 to originate the mortgage transactions described in clause
- 37 ~~(A)~~; **(a)**.
- 38 ~~(F)~~ **(f)** The entity does not charge loan origination fees in
- 39 connection with the mortgage transactions described in clause
- 40 ~~(A)~~; **(a)**.

41 SECTION 165. IC 24-4.4-2-406, AS ADDED BY P.L.89-2011,
 42 SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE

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1 UPON PASSAGE]: Sec. 406. (1) As used in this section, "control"
 2 means possession of the power directly or indirectly to:
 3 (a) direct or cause the direction of the management or policies of
 4 a creditor, whether through the beneficial ownership of voting
 5 securities, by contract, or otherwise; or
 6 (b) vote at least twenty-five percent (25%) of the voting securities
 7 of a creditor, whether the voting rights are derived through the
 8 beneficial ownership of voting securities, by contract, or
 9 otherwise.
 10 (2) An organization or an individual acting directly, indirectly, or
 11 through or in concert with one (1) or more other organizations or
 12 individuals may not acquire control of any creditor unless the
 13 department has received and approved an application for change in
 14 control. The department has not more than one hundred twenty (120)
 15 days after receipt of an application to issue a notice approving the
 16 proposed change in control. The application must contain the name and
 17 address of the organization, individual, or individuals who propose to
 18 acquire control and any other information required by the director.
 19 (3) The period for approval under subsection (2) may be extended:
 20 (a) in the discretion of the director for an additional thirty (30)
 21 days; and
 22 (b) not more than two (2) additional times for not more than
 23 forty-five (45) days each time if:
 24 (i) the director determines that the organization, individual, or
 25 individuals who propose to acquire control have not submitted
 26 substantial evidence of the qualifications described in
 27 subsection (4);
 28 (ii) the director determines that any material information
 29 submitted is substantially inaccurate; or
 30 (iii) the director has been unable to complete the investigation
 31 of the organization, individual, or individuals who propose to
 32 acquire control because of any delay caused by or the
 33 inadequate cooperation of the organization, individual, or
 34 individuals.
 35 (4) The department shall issue a notice approving the application
 36 only after it is satisfied that both of the following apply:
 37 (a) The organization, individual, or individuals who propose to
 38 acquire control are qualified by competence, experience,
 39 character, and financial responsibility to control and operate the
 40 creditor in a legal and proper manner.
 41 (b) The interests of the owners and creditors of the creditor and
 42 the interests of the public generally will not be jeopardized by the

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1 proposed change in control.

2 (5) The director may determine, in the director's discretion, that

3 subsection (2) does not apply to a transaction if the director determines

4 that the direct or beneficial ownership of the creditor will not change

5 as a result of the transaction.

6 (6) The president or other chief executive officer of a creditor shall

7 report to the director any transfer or sale of securities of the creditor

8 that results in direct or indirect ownership by a holder or an affiliated

9 group of holders of at least ten percent (10%) of the outstanding

10 securities of the creditor. The report required by this ~~section~~ **subsection**

11 must be made not later than ten (10) days after the transfer of the

12 securities on the books of the creditor.

13 (7) Depending on the circumstances of the transaction, the director

14 may reserve the right to require the organization, individual, or

15 individuals who propose to acquire control of a creditor licensed under

16 this article to apply for a new license under section 401 of this chapter,

17 instead of acquiring control of the licensee under this section.

18 SECTION 166. IC 24-4.5-1-202, AS AMENDED BY P.L.89-2011,

19 SECTION 11, AND AS AMENDED BY P.L.9-2011, SECTION 2, IS

20 CORRECTED AND AMENDED TO READ AS FOLLOWS

21 [EFFECTIVE UPON PASSAGE]: Sec. 202. (a) *As used in this section,*

22 *"balloon payment", with respect to a mortgage transaction, means any*

23 *payment that:*

24 (1) *the creditor requires the debtor to make at any time during the*

25 *term of the mortgage;*

26 (2) *represents the entire amount of the outstanding balance with*

27 *respect to the mortgage; and*

28 (3) *the entire amount of which is due as of a specified date or at*

29 *the end of a specified period;*

30 *if the aggregate amount of the minimum periodic payments required*

31 *under the mortgage would not fully amortize the outstanding balance*

32 *by the specified date or at the end of the specified period. The term*

33 *does not include a payment required by a creditor under a due-on-sale*

34 *clause (as defined in 12 U.S.C. 1701j-3(a)) or a payment required by*

35 *a creditor under a provision in the mortgage that permits the creditor*

36 *to accelerate the debt upon the debtor's default or failure to abide by*

37 *the material terms of the mortgage.*

38 (b) This article does not apply to the following:

39 (1) Extensions of credit to government or governmental agencies

40 or instrumentalities.

41 (2) The sale of insurance by an insurer, except as otherwise

42 provided in the chapter on insurance (IC 24-4.5-4).

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- 1 (3) Transactions under public utility, municipal utility, or
- 2 common carrier tariffs if a subdivision or agency of this state or
- 3 of the United States regulates the charges for the services
- 4 involved, the charges for delayed payment, and any discount
- 5 allowed for early payment.
- 6 (4) The rates and charges and the disclosure of rates and charges
- 7 of a licensed pawnbroker established in accordance with a statute
- 8 or ordinance concerning these matters.
- 9 (5) A sale of goods, services, or an interest in land in which the
- 10 goods, services, or interest in land are purchased primarily for a
- 11 purpose other than a personal, family, or household purpose.
- 12 (6) A loan in which the debt is incurred primarily for a purpose
- 13 other than a personal, family, or household purpose.
- 14 (7) An extension of credit primarily for a business, a commercial,
- 15 or an agricultural purpose.
- 16 (8) An installment agreement for the purchase of home fuels in
- 17 which a finance charge is not imposed.
- 18 (9) Loans made, insured, or guaranteed under a program
- 19 authorized by Title IV of the Higher Education Act of 1965 (20
- 20 U.S.C. 1070 et seq.).
- 21 (10) Transactions in securities or commodities accounts in which
- 22 credit is extended by a broker-dealer registered with the Securities
- 23 and Exchange Commission or the Commodity Futures Trading
- 24 Commission.
- 25 (11) Except for IC 24-4.5-3-502.1(2), IC 24-4.5-3-503.3,
- 26 IC 24-4.5-3-505(4), and IC 24-4.5-3-505(5), a loan made:
- 27 (A) in compliance with the requirements of; and
- 28 (B) by a community development corporation (as defined in
- 29 IC 4-4-28-2) acting as a subrecipient of funds from;
- 30 the Indiana housing and community development authority
- 31 established by IC 5-20-1-3.
- 32 (12) Except for IC 24-4.5-3-502.1(2), IC 24-4.5-3-503.3,
- 33 IC 24-4.5-3-505(4), and IC 24-4.5-3-505(5), a subordinate lien
- 34 mortgage transaction made by an entity that exclusively uses
- 35 funds provided by the United States Department of Housing and
- 36 Urban Development under Title 1 of the Housing and Community
- 37 Development Act of 1974, Public Law 93-383, as amended (42
- 38 U.S.C. 5301 et seq.).
- 39 (13) *The United States, any state or local government, or any*
- 40 *agency or instrumentality of any governmental entity, including*
- 41 *United States government sponsored enterprises.*
- 42 ~~(13)~~ (14) *A bona fide nonprofit entity not operating in a*

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- 1 *commercial context, as determined by the director, if the*
- 2 *following criteria are satisfied:*
- 3 (A) *Subject to clause (B), the entity originates only one (1) or*
- 4 both of the following types of mortgage transactions:
- 5 (i) *Zero (0) interest first lien mortgage transactions.*
- 6 (ii) *Zero (0) interest subordinate lien mortgage transactions.*
- 7 (B) *The entity does not require, under the terms of the*
- 8 mortgage or otherwise, balloon payments with respect to the
- 9 mortgage transactions described in clause (A).
- 10 (C) *The entity is exempt from federal income taxation under*
- 11 Section 501(c)(3) of the Internal Revenue Code.
- 12 (D) *The entity's primary purpose is to serve the public by*
- 13 helping low income individuals and families build, repair, and
- 14 purchase housing.
- 15 (E) *The entity uses only:*
- 16 (i) *unpaid volunteers; or*
- 17 (ii) *employees whose compensation is not based on the*
- 18 number or size of any mortgage transactions that the
- 19 employees originate;
- 20 to originate the mortgage transactions described in clause
- 21 (A).
- 22 (F) *The entity does not charge loan origination fees in*
- 23 connection with the mortgage transactions described in clause
- 24 (A).

25 SECTION 167. IC 24-4.5-3-515, AS ADDED BY P.L.89-2011,
 26 SECTION 19, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 27 UPON PASSAGE]: Sec. 515. (1) As used in this section, "control"
 28 means possession of the power directly or indirectly to:

- 29 (a) direct or cause the direction of the management or policies of
- 30 a creditor, whether through the beneficial ownership of voting
- 31 securities, by contract, or otherwise; or
- 32 (b) vote at least twenty-five percent (25%) of the voting securities
- 33 of a creditor, whether the voting rights are derived through the
- 34 beneficial ownership of voting securities, by contract, or
- 35 otherwise.
- 36 (2) An organization or an individual acting directly, indirectly, or
- 37 through or in concert with one (1) or more other organizations or
- 38 individuals may not acquire control of any creditor unless the
- 39 department has received and approved an application for change in
- 40 control. The department has not more than one hundred twenty (120)
- 41 days after receipt of an application to issue a notice approving the
- 42 proposed change in control. The application must contain the name and

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1 address of the organization, individual, or individuals who propose to
 2 acquire control and any other information required by the director.
 3 (3) The period for approval under subsection (2) may be extended:
 4 (a) in the discretion of the director for an additional thirty (30)
 5 days; and
 6 (b) not more than two (2) additional times for not more than
 7 forty-five (45) days each time if:
 8 (i) the director determines that the organization, individual, or
 9 individuals who propose to acquire control have not submitted
 10 substantial evidence of the qualifications described in
 11 subsection (4);
 12 (ii) the director determines that any material information
 13 submitted is substantially inaccurate; or
 14 (iii) the director has been unable to complete the investigation
 15 of the organization, individual, or individuals who propose to
 16 acquire control because of any delay caused by or the
 17 inadequate cooperation of the organization, individual, or
 18 individuals.
 19 (4) The department shall issue a notice approving the application
 20 only after the department is satisfied that both of the following apply:
 21 (a) The organization, individual, or individuals who propose to
 22 acquire control are qualified by competence, experience,
 23 character, and financial responsibility to control and operate the
 24 creditor in a legal and proper manner.
 25 (b) The interests of the owners and creditors of the creditor and
 26 the interests of the public generally will not be jeopardized by the
 27 proposed change in control.
 28 (5) The director may determine, in the director's discretion, that
 29 subsection (2) does not apply to a transaction if the director determines
 30 that the direct or beneficial ownership of the creditor will not change
 31 as a result of the transaction.
 32 (6) The president or other chief executive officer of a creditor shall
 33 report to the director any transfer or sale of securities of the creditor
 34 that results in direct or indirect ownership by a holder or an affiliated
 35 group of holders of at least ten percent (10%) of the outstanding
 36 securities of the creditor. The report required by this ~~section~~ **subsection**
 37 must be made not later than ten (10) days after the transfer of the
 38 securities on the books of the creditor.
 39 (7) Depending on the circumstances of the transaction, the director
 40 may reserve the right to require the organization, individual, or
 41 individuals who propose to acquire control of a creditor licensed under
 42 this article to apply for a new license under section 503 of this chapter,

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1 instead of acquiring control of the licensee under this section.

2 SECTION 168. IC 25-1-1.1-2, AS AMENDED BY P.L.138-2011,
 3 SECTION 6 AND P.L.182-2011, SECTION 6, AND AS AMENDED
 4 BY P.L.155-2011, SECTION 6, IS CORRECTED AND AMENDED
 5 TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2.
 6 *Notwithstanding IC 25-1-7*, a board, a commission, or a committee may
 7 suspend, *deny*, or revoke a license or certificate issued under this title
 8 by the board, the commission, or the committee *without an*
 9 *investigation by the office of the attorney general* if the individual who
 10 holds the license or certificate is convicted of any of the following *and*
 11 *the board, commission, or committee determines, after the individual*
 12 *has appeared in person, that the offense affects the individual's ability*
 13 *to perform the duties of the profession:*

- 14 (1) Possession of cocaine or a narcotic drug under IC 35-48-4-6.
- 15 (2) Possession of methamphetamine under IC 35-48-4-6.1.
- 16 (3) Possession of a controlled substance under IC 35-48-4-7(a).
- 17 (4) Fraudulently obtaining a controlled substance under
- 18 IC 35-48-4-7(b).
- 19 (5) Manufacture of paraphernalia as a Class D felony under
- 20 IC 35-48-4-8.1(b).
- 21 (6) Dealing in paraphernalia as a Class D felony under
- 22 IC 35-48-4-8.5(b).
- 23 (7) Possession of paraphernalia as a Class D felony under
- 24 IC 35-48-4-8.3(b).
- 25 (8) Possession of marijuana, hash oil, ~~or~~ hashish, *salvia*, or a
- 26 *synthetic cannabinoid* as a Class D felony under IC 35-48-4-11.
- 27 (9) Maintaining a common nuisance under IC 35-48-4-13.
- 28 (10) An offense relating to registration, labeling, and prescription
- 29 forms under IC 35-48-4-14.
- 30 (11) Conspiracy under IC 35-41-5-2 to commit an offense listed
- 31 in subdivisions (1) through (10).
- 32 (12) Attempt under IC 35-41-5-1 to commit an offense listed in
- 33 subdivisions (1) through (10).
- 34 ~~(13) An offense in any other jurisdiction in which the elements of~~
- 35 ~~the offense for which the conviction was entered are substantially~~
- 36 ~~similar to the elements of an offense described under subdivisions~~
- 37 ~~(1) through (12):~~
- 38 ~~(13) A sex crime under IC 35-42-4.~~
- 39 ~~(14) A felony that reflects adversely on the individual's fitness to~~
- 40 ~~hold a professional license.~~
- 41 ~~(15) An offense in any other jurisdiction in which the elements of~~
- 42 ~~the offense for which the conviction was entered are substantially~~

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1 *similar to the elements of an offense described in this section.*

2 SECTION 169. IC 25-1-5-5, AS AMENDED BY P.L.206-2005,
3 SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
4 JULY 1, 2012]: Sec. 5. (a) The agency shall be administered by an
5 executive director appointed by the governor who shall serve at the will
6 and pleasure of the governor.

7 (b) The executive director must be qualified by experience and
8 training.

9 (c) The term "executive director" or "secretary", or any other
10 statutory term for the administrative officer of a board listed in section
11 3 of this chapter, means the executive director of the agency or the
12 executive director's designee.

13 (d) The executive director is the chief fiscal officer of the agency
14 and is responsible for hiring of all staff, and for procurement of all
15 services and supplies in accordance with IC 5-22. ~~The executive~~
16 ~~director and the employees of the agency are subject to IC 4-15-1.8 but~~
17 ~~are not under IC 4-15-2.~~ The executive director may appoint not to
18 **exceed more than** three (3) deputy directors, who must be qualified to
19 work for the boards which are served by the agency.

20 (e) The executive director shall execute a bond payable to the state,
21 with surety to consist of a surety or guaranty corporation qualified to do
22 business in Indiana, in an amount fixed by the state board of accounts,
23 conditioned upon the faithful performance of duties and the accounting
24 for all money and property that come into the executive director's hands
25 or under the executive director's control. The executive director may
26 likewise cause any employee of the agency to execute a bond if that
27 employee receives, disburses, or in any way handles funds or property
28 of the agency. The costs of any such bonds shall be paid from funds
29 available to the agency.

30 (f) The executive director may present to the general assembly
31 legislative recommendations regarding operations of the agency and
32 the boards it serves, including adoption of four (4) year license or
33 certificate renewal cycles wherever feasible.

34 (g) The executive director may execute orders, subpoenas,
35 continuances, and other legal documents on behalf of a board or
36 committee when requested to do so by the board or committee.

37 (h) The executive director or the executive director's designee may,
38 upon request of a board or committee, provide advice and technical
39 assistance on issues that may be presented to the boards or committees.

40 SECTION 170. IC 25-1-6-5, AS AMENDED BY P.L.194-2005,
41 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
42 JULY 1, 2012]: Sec. 5. (a) The licensing agency shall be administered

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1 by an executive director appointed by the governor who shall serve at
2 the will and pleasure of the governor.

3 (b) The executive director must be qualified by experience and
4 training.

5 (c) The term "executive director" or "secretary", or any other
6 statutory term for the administrative officer of a board listed in section
7 3 of this chapter, means the executive director of the licensing agency
8 or the executive director's designee.

9 (d) The executive director is the chief fiscal officer of the licensing
10 agency and is responsible for hiring of all staff and for procurement of
11 all services and supplies in accordance with IC 5-22. ~~The executive~~
12 ~~director and the employees of the licensing agency are subject to~~
13 ~~IC 4-15-1.8 but are not under IC 4-15-2.~~ The executive director may
14 appoint no more than three (3) deputy directors, who must be qualified
15 to work for the boards which are served by the licensing agency.

16 (e) The executive director shall execute a bond payable to the state,
17 with surety to consist of a surety or guaranty corporation qualified to do
18 business in Indiana, in an amount fixed by the state board of accounts,
19 conditioned upon the faithful performance of duties and the accounting
20 for all money and property that come into the executive director's hands
21 or under the executive director's control. The executive director may
22 likewise cause any employee of the licensing agency to execute a bond
23 if that employee receives, disburses, or in any way handles funds or
24 property of the licensing agency. The costs of any such bonds shall be
25 paid from funds available to the licensing agency.

26 (f) The executive director may present to the general assembly
27 legislative recommendations regarding operations of the licensing
28 agency and the boards it serves, including adoption of four (4) year
29 license or certificate renewal cycles wherever feasible.

30 (g) Upon the request of a board or commission, the executive
31 director may execute orders, subpoenas, continuances, and other legal
32 documents on behalf of the board or commission.

33 (h) Upon the request of a board or commission, the executive
34 director may provide advice and technical assistance on issues that may
35 be presented to the board or commission.

36 SECTION 171. IC 25-14-1-3.1, AS AMENDED BY P.L.103-2011,
37 SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
38 UPON PASSAGE]: Sec. 3.1. (a) A dentist must have a permit to
39 administer:

- 40 (1) general anesthesia/deep sedation; or
41 (2) moderate sedation using a parenteral route of administration;
42 or

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1 to a patient.
 2 (b) The board shall establish by rule the educational and training
 3 requirements for the issuance and renewal of a permit required by
 4 subsection (a).
 5 (c) The board shall establish the requirements for a program of
 6 education and training for pediatric anesthesiology.
 7 (d) The requirements for a permit issued under this section must be
 8 based on the current American Dental Association's "Guidelines for
 9 Teaching Pain Control and Sedation to Dentists and Dental Students",
 10 as adopted by the American Dental Association House of Delegates.
 11 (e) A permit issued under this section must be renewed biennially.
 12 SECTION 172. IC 25-14-1-30 IS REPEALED [EFFECTIVE UPON
 13 PASSAGE]. Sec. 30: All certificates issued by the dental board for the
 14 practice of dentistry which certificates were issued prior to May 1,
 15 1977, shall be deemed to be licenses for the practice of dentistry. All
 16 applications for the practice of dentistry and all renewal notices sent for
 17 the practice of dentistry in Indiana shall be for licenses and not for
 18 certificates. For the purposes of this chapter, all certificates and
 19 renewals for certificates for the practice of dentistry shall be the same
 20 as licenses and renewals for licenses issued subsequent to May 1, 1977.
 21 SECTION 173. IC 25-14-1-30, AS ADDED BY P.L.103-2011,
 22 SECTION 24, IS REPEALED [EFFECTIVE UPON PASSAGE]. Sec.
 23 30: (a) An individual who:
 24 (1) is licensed under; and
 25 (2) fails to comply with;
 26 this article or rules adopted under this article is subject to discipline
 27 under IC 25-1-9.
 28 (b) An individual who is licensed under this article is responsible
 29 for knowing the standards of conduct and practice established by this
 30 article and rules adopted under this article:
 31 SECTION 174. IC 25-14-1-30.2 IS ADDED TO THE INDIANA
 32 CODE AS A NEW SECTION TO READ AS FOLLOWS
 33 [EFFECTIVE UPON PASSAGE]: Sec. 30.2. All certificates issued by
 34 the dental board for the practice of dentistry before May 1, 1977,
 35 shall be deemed to be licenses for the practice of dentistry. All
 36 applications for the practice of dentistry and all renewal notices
 37 sent for the practice of dentistry in Indiana shall be for licenses and
 38 not for certificates. For the purposes of this chapter, all certificates
 39 and renewals for certificates for the practice of dentistry shall be
 40 the same as licenses and renewals for licenses issued after May 1,
 41 1977.
 42 SECTION 175. IC 25-14-1-30.4 IS ADDED TO THE INDIANA

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1 CODE AS A NEW SECTION TO READ AS FOLLOWS
2 [EFFECTIVE UPON PASSAGE]: **Sec. 30.4. (a) An individual who:**

- 3 **(1) is licensed under; and**
- 4 **(2) fails to comply with;**

5 **this article or rules adopted under this article is subject to**
6 **discipline under IC 25-1-9.**

7 **(b) An individual who is licensed under this article is responsible**
8 **for knowing the standards of conduct and practice established by**
9 **this article and rules adopted under this article.**

10 SECTION 176. IC 25-15-9-18, AS AMENDED BY P.L.34-2011,
11 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
12 UPON PASSAGE]: Sec. 18. (a) Except as provided in subsection (b),
13 the following persons, in the order of priority indicated, have the
14 authority to designate the manner, type, and selection of the final
15 disposition of human remains, to make arrangements for funeral
16 services, and to make other ceremonial arrangements after an
17 individual's death:

18 (1) A person:

- 19 (A) granted the authority to serve in a funeral planning
- 20 declaration executed by the decedent under IC 29-2-19; or
- 21 (B) named in a United States Department of Defense form
- 22 "Record of Emergency Data" (DD Form 93) or a successor
- 23 form adopted by the United States Department of Defense, if
- 24 the decedent died while serving in any branch of the United
- 25 States Armed Forces (as defined in 10 U.S.C. 1481) and
- 26 completed the form.

27 (2) An individual specifically granted the authority in a power of
28 attorney or a health care power of attorney executed by the
29 decedent under IC 30-5-5-16.

30 (3) The individual who was the spouse of the decedent at the time
31 of the decedent's death, except when:

- 32 (A) a petition to dissolve the marriage or for legal separation
- 33 of the decedent and spouse is pending with a court at the time
- 34 of the decedent's death, unless a court finds that the decedent
- 35 and spouse were reconciled before the decedent's death; or
- 36 (B) a court determines the decedent and spouse were
- 37 physically and emotionally separated at the time of death and
- 38 the separation was for an extended time that clearly
- 39 demonstrates an absence of due affection, trust, and regard for
- 40 the decedent.

41 (4) The decedent's surviving adult child or, if more than one (1)
42 adult child is surviving, the majority of the adult children.

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1 However, less than half of the surviving adult children have the
 2 rights under this subdivision if the adult children have used
 3 reasonable efforts to notify the other surviving adult children of
 4 their intentions and are not aware of any opposition to the final
 5 disposition instructions by more than half of the surviving adult
 6 children.

7 (5) The decedent's surviving parent or parents. If one (1) of the
 8 parents is absent, the parent who is present has the rights under
 9 this subdivision if the parent who is present has used reasonable
 10 efforts to notify the absent parent.

11 (6) The decedent's surviving sibling or, if more than one (1)
 12 sibling is surviving, the majority of the surviving siblings.
 13 However, less than half of the surviving siblings have the rights
 14 under this subdivision if the siblings have used reasonable efforts
 15 to notify the other surviving siblings of their intentions and are
 16 not aware of any opposition to the final disposition instructions by
 17 more than half of the surviving siblings.

18 (7) The individual in the next degree of kinship under IC 29-1-2-1
 19 to inherit the estate of the decedent or, if more than one (1)
 20 individual of the same degree survives, the majority of those who
 21 **have are of** the same degree of kinship. However, less than half
 22 of the individuals who **have are of** the same degree of kinship
 23 have the rights under this subdivision if they have used reasonable
 24 efforts to notify the other individuals who **have are of** the same
 25 degree of kinship of their intentions and are not aware of any
 26 opposition to the final disposition instructions by more than half
 27 of the individuals who **have are of** the same degree of kinship.

28 (8) If none of the persons identified in subdivisions (1) through
 29 (7) are available, any other person willing to act and arrange for
 30 the final disposition of the ~~decedent~~, **decedent's remains**,
 31 including a funeral home that:

32 (A) has a valid prepaid funeral plan executed under IC 30-2-13
 33 that makes arrangements for the disposition of the ~~decedent~~;
 34 **decedent's remains**; and

35 (B) attests in writing that a good faith effort has been made to
 36 contact any living individuals described in subdivisions (1)
 37 through (7).

38 (9) In the case of an indigent or other individual whose final
 39 disposition is the responsibility of the state or township, the
 40 following:

41 (A) If none of the persons identified in subdivisions (1)
 42 through (8) is available:

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- 1 (i) a public administrator, including a responsible township
- 2 trustee or the trustee's designee; or
- 3 (ii) the coroner.
- 4 (B) A state appointed guardian.
- 5 (b) If:
- 6 (1) the death of the decedent appears to have been the result of:
- 7 (A) murder (IC 35-42-1-1);
- 8 (B) voluntary manslaughter (IC 35-42-1-3); or
- 9 (C) another criminal act, if the death does not result from the
- 10 operation of a vehicle; and
- 11 (2) the coroner, in consultation with the law enforcement agency
- 12 investigating the death of the decedent, determines that there is a
- 13 reasonable suspicion that a person described in subsection (a)
- 14 committed the offense;
- 15 the person referred to in subdivision (2) may not authorize or designate
- 16 the manner, type, or selection of the final disposition of human
- 17 remains.
- 18 (c) The coroner, in consultation with the law enforcement agency
- 19 investigating the death of the decedent, shall inform the cemetery
- 20 owner or crematory authority of the determination under subsection
- 21 (b)(2).
- 22 (d) If the decedent had filed a protection order against a person
- 23 described in subsection (a) and the protection order is currently in
- 24 effect, the person described in subsection (a) may not authorize or
- 25 designate the manner, type, or selection of the final disposition of
- 26 human remains.
- 27 (e) A law enforcement agency shall determine if the protection order
- 28 is in effect. If the law enforcement agency cannot determine the
- 29 existence of a protection order that is in effect, the law enforcement
- 30 agency shall consult the protective order registry established under
- 31 IC 5-2-9-5.5.
- 32 (f) If a person vested with a right under subsection (a) does not
- 33 exercise that right not later than seventy-two (72) hours after the person
- 34 receives notification of the death of the decedent, the person forfeits the
- 35 person's right to determine the final disposition of the ~~decedent~~
- 36 **decedent's remains** and the right to determine final disposition passes
- 37 to the next person described in subsection (a).
- 38 (g) A funeral home has the right to rely, in good faith, on the
- 39 representations of a person listed in subsection (a) that any other
- 40 individuals ~~on~~ of the same degree of kinship have been notified of the
- 41 final disposition instructions.
- 42 (h) If there is a dispute concerning the disposition of a ~~decedent~~;

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1 **decedent's remains**, a funeral home is not liable for refusing to accept
 2 the remains of the decedent until the funeral home receives:
 3 (1) a court order; or
 4 (2) a written agreement signed by the disputing parties;
 5 that determines the final disposition of the ~~decedent~~ **decedent's**
 6 **remains**. If a funeral home agrees to shelter the remains of the
 7 decedent while the parties are in dispute, the funeral home may collect
 8 any applicable fees for storing the remains, including legal fees that are
 9 incurred.
 10 (i) Any cause of action filed under this section must be filed in the
 11 probate court in the county where the decedent resided, unless the
 12 decedent was not a resident of Indiana.
 13 (j) A spouse seeking a judicial determination under subsection
 14 (a)(3)(A) that the decedent and spouse were reconciled before the
 15 decedent's death may petition the court having jurisdiction over the
 16 dissolution or separation proceeding to make this determination by
 17 filing the petition under the same cause number as the dissolution or
 18 separation proceeding. A spouse who files a petition under this
 19 subsection is not required to pay a filing fee.
 20 SECTION 177. IC 25-15-9-19, AS ADDED BY P.L.34-2011,
 21 SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 22 UPON PASSAGE]: Sec. 19. (a) An individual who signs an
 23 authorization for the cremation, interment, entombment, or inurnment
 24 of human remains:
 25 (1) is considered to warrant the truthfulness of:
 26 (A) any fact set forth in the authorization;
 27 (B) the identity of the person for whose remains cremation,
 28 interment, entombment, or inurnment is sought; and
 29 (C) the individual's authority to order the cremation, interment,
 30 entombment, or inurnment; and
 31 (2) is personally and individually liable to pay damages in
 32 compensation for harm that:
 33 (A) is caused by; or
 34 (B) results from;
 35 the signing of the authorization for cremation, interment,
 36 entombment, or inurnment.
 37 (b) A funeral home that relies in good faith on a signed
 38 authorization for the cremation, interment, entombment, or inurnment
 39 of human remains is not civilly or criminally liable or subject to
 40 disciplinary actions for carrying out the disposition of the ~~decedent~~
 41 **decedent's remains** in accordance with the instructions in the
 42 authorization.

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1 SECTION 178. IC 26-1-9.1-801, AS ADDED BY P.L.54-2011,
2 SECTION 20, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 JULY 1, 2013]: Sec. 801. (a) Except as otherwise provided in this
4 section through IC 26-1-9.1-808, amendments to this chapter made by
5 legislation enacted during the 2011 session of the general assembly
6 **P.L.54-2011** apply to a transaction or lien with its scope, even if the
7 transaction or lien was entered into or created before the amendments
8 to this chapter made by legislation enacted during the 2011 session of
9 the general assembly **P.L.54-2011** take effect (July 1, 2013).

10 (b) The amendments to this chapter made by legislation enacted
11 during the 2011 session of the general assembly **P.L.54-2011** do not
12 affect an action, case, or proceeding commenced before the
13 amendments to this chapter made by legislation enacted during the
14 2011 session of the general assembly **P.L.54-2011** take effect (July 1,
15 2013).

16 SECTION 179. IC 26-1-9.1-802, AS ADDED BY P.L.54-2011,
17 SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
18 JULY 1, 2013]: Sec. 802. (a) A security interest that is a perfected
19 security interest immediately before the amendments to this chapter
20 made by legislation enacted during the 2011 session of the general
21 assembly **P.L.54-2011** take effect (July 1, 2013) is a perfected security
22 interest under this chapter, as amended by legislation enacted during
23 the 2011 session of the general assembly **P.L.54-2011** if, when the
24 amendments to this chapter made by legislation enacted during the
25 2011 session of the general assembly **P.L.54-2011** take effect (July 1,
26 2013), the applicable requirements for attachment and perfection under
27 this chapter, as amended by legislation enacted during the 2011 session
28 of the general assembly, **P.L.54-2011**, are satisfied without further
29 action.

30 (b) Except as otherwise provided in IC 26-1-9.1-804, if,
31 immediately before the amendments to this chapter made by legislation
32 enacted during the 2011 session of the general assembly **P.L.54-2011**
33 take effect (July 1, 2013), a security interest is a perfected security
34 interest, but the applicable requirements for perfection under this
35 chapter, as amended by legislation enacted during the 2011 session of
36 the general assembly, **P.L.54-2011**, are not satisfied when the
37 amendments to this chapter made by legislation enacted during the
38 2011 session of the general assembly **P.L.54-2011** take effect (July 1,
39 2013), the security interest remains perfected thereafter only if the
40 applicable requirements for perfection under this chapter, as amended
41 by legislation enacted during the 2011 session of the general assembly,
42 **P.L.54-2011**, are satisfied within one (1) year after the amendments to

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1 this chapter made by ~~legislation enacted during the 2011 session of the~~
 2 ~~general assembly P.L.54-2011~~ take effect (July 1, 2013).

3 SECTION 180. IC 26-1-9.1-803, AS ADDED BY P.L.54-2011,
 4 SECTION 22, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 5 JULY 1, 2013]: Sec. 803. A security interest that is an unperfected
 6 security interest immediately before the amendments to this chapter
 7 made by ~~legislation enacted during the 2011 session of the general~~
 8 ~~assembly P.L.54-2011~~ take effect (July 1, 2013) becomes a perfected
 9 security interest:

10 (1) without further action, when the amendments to this chapter
 11 made by ~~legislation enacted during the 2011 session of the~~
 12 ~~general assembly P.L.54-2011~~ take effect (July 1, 2013) if the
 13 applicable requirements for perfection under this chapter, as
 14 amended by ~~legislation enacted during the 2011 session of the~~
 15 ~~general assembly, P.L.54-2011~~, are satisfied before or at that
 16 time; or

17 (2) when the applicable requirements for perfection are satisfied
 18 if the requirements are satisfied after this time.

19 SECTION 181. IC 26-1-9.1-804, AS ADDED BY P.L.54-2011,
 20 SECTION 23, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 21 JULY 1, 2013]: Sec. 804. (a) The filing of a financing statement before
 22 the amendments to this chapter made by ~~legislation enacted during the~~
 23 ~~2011 session of the general assembly P.L.54-2011~~ take effect (July 1,
 24 2013) is effective to perfect a security interest to the extent the filing
 25 would satisfy the applicable requirements for perfection under this
 26 chapter, as amended by ~~legislation enacted during the 2011 session of~~
 27 ~~the general assembly: P.L.54-2011.~~

28 (b) The amendments to this chapter made by ~~legislation enacted~~
 29 ~~during the 2011 session of the general assembly P.L.54-2011~~ do not
 30 render ineffective an effective financing statement that, before the
 31 amendments to this chapter made by ~~legislation enacted during the~~
 32 ~~2011 session of the general assembly P.L.54-2011~~ take effect (July 1,
 33 2013), is filed and satisfies the applicable requirements for perfection
 34 under the law of the jurisdiction governing perfection provided in this
 35 chapter as it existed before it was amended by ~~legislation enacted~~
 36 ~~during the 2011 session of the general assembly: P.L.54-2011.~~
 37 However, except as otherwise provided in subsections (c) and (d) and
 38 IC 26-1-9.1-805, the financing statement ceases to be effective:

39 (1) if the financing statement is filed in this state, at the time the
 40 financing statement would have ceased to be effective had the
 41 amendments to this chapter made by ~~legislation enacted during~~
 42 ~~the 2011 session of the general assembly P.L.54-2011~~ not taken

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1 effect; or

2 (2) if the financing statement is filed in another jurisdiction, at the
3 earlier of:

4 (A) the time the financing statement would have ceased to be
5 effective under the law of that jurisdiction; or

6 (B) June 30, 2018.

7 (c) The filing of a continuation statement after the amendments to
8 this chapter made by ~~legislation enacted during the 2011 session of the~~
9 ~~general assembly P.L.54-2011~~ take effect (July 1, 2013) does not
10 continue the effectiveness of a financing statement filed before the
11 amendments to this chapter made by ~~legislation enacted during the~~
12 ~~2011 session of the general assembly P.L.54-2011~~ take effect (July 1,
13 2013). However, upon the timely filing of a continuation statement
14 after the amendments to this chapter made by ~~legislation enacted~~
15 ~~during the 2011 session of the general assembly P.L.54-2011~~ take
16 effect (July 1, 2013) and in accordance with the law of the jurisdiction
17 governing perfection as provided in this chapter as amended by
18 ~~legislation enacted during the 2011 session of the general assembly;~~
19 **P.L.54-2011**, the effectiveness of a financing statement filed in the
20 same office in that jurisdiction before the amendments to this chapter
21 made by ~~legislation enacted during the 2011 session of the general~~
22 ~~assembly P.L.54-2011~~ take effect (July 1, 2013) continues for the
23 period provided by the law of that jurisdiction.

24 (d) Subsection (b)(2)(B) applies to a financing statement that, before
25 the amendments to this chapter made by ~~legislation enacted during the~~
26 ~~2011 session of the general assembly P.L.54-2011~~ take effect (July 1,
27 2013), is filed against a transmitting utility and satisfies the applicable
28 requirements for perfection under the law of the jurisdiction governing
29 perfection as provided in this chapter as it existed before it was
30 amended by ~~legislation enacted during the 2011 session of the general~~
31 ~~assembly, P.L.54-2011~~, only to the extent that this chapter, as amended
32 by ~~legislation enacted during the 2011 session of the general assembly;~~
33 **P.L.54-2011**, provides that the law of a jurisdiction other than the
34 jurisdiction in which the financing statement is filed governs perfection
35 of a security interest in collateral covered by the financing statement.

36 (e) A financing statement that includes a financing statement filed
37 before the amendments to this chapter made by ~~legislation enacted~~
38 ~~during the 2011 session of the general assembly P.L.54-2011~~ take
39 effect (July 1, 2013) and a continuation statement filed after the
40 amendments to this chapter made by ~~legislation enacted during the~~
41 ~~2011 session of the general assembly P.L.54-2011~~ take effect (July 1,
42 2013) is effective only to the extent that it satisfies the requirements of



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1 IC 26-1-9.1-501 through IC 26-1-9.1-527, as amended by ~~legislation~~
 2 ~~enacted during the 2011 session of the general assembly~~, **P.L.54-2011**,
 3 for an initial financing statement. A financing statement that indicates
 4 that the debtor is a decedent's estate indicates that the collateral is
 5 being administered by a personal representative within the meaning of
 6 IC 26-1-9.1-503(a)(2), as amended by ~~legislation enacted during the~~
 7 ~~2011 session of the general assembly~~. **P.L.54-2011**. A financing
 8 statement that indicates that the debtor is a trust or is a trustee acting
 9 with respect to property held in trust indicates that the collateral is held
 10 in a trust within the meaning of IC 26-1-9.1-503(a)(3) as amended by
 11 ~~legislation enacted during the 2011 session of the general assembly~~.
 12 **P.L.54-2011**.

13 SECTION 182. IC 26-1-9.1-805, AS ADDED BY P.L.54-2011,
 14 SECTION 24, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 15 JULY 1, 2013]: Sec. 805. (a) The filing of an initial financing
 16 statement in the office specified in IC 26-1-9.1-501 continues the
 17 effectiveness of a financing statement filed before the amendments to
 18 this chapter made by ~~legislation enacted during the 2011 session of the~~
 19 ~~general assembly~~ **P.L.54-2011** take effect (July 1, 2013) if:

- 20 (1) the filing of an initial financing statement in that office would
 21 be effective to perfect a security interest under this chapter, as
 22 amended by ~~legislation enacted during the 2011 session of the~~
 23 ~~general assembly~~; **P.L.54-2011**;
 24 (2) the pre-effective-date financing statement was filed in an
 25 office in another state; and
 26 (3) the initial financing statement satisfies subsection (c).

27 (b) The filing of an initial financing statement under subsection (a)
 28 continues the effectiveness of the pre-effective-date financing
 29 statement:

- 30 (1) if the initial financing statement is filed before the
 31 amendments to this chapter made by ~~legislation enacted during~~
 32 ~~the 2011 session of the general assembly~~ **P.L.54-2011** take effect
 33 (July 1, 2013), for the period provided in IC 26-1-9.1-515, before
 34 it was amended by ~~legislation enacted during the 2011 session of~~
 35 ~~the general assembly~~; **P.L.54-2011**, with respect to an initial
 36 financing statement; and
 37 (2) if the initial financing statement is filed after the amendments
 38 to this chapter made by ~~legislation enacted during the 2011~~
 39 ~~session of the general assembly~~ **P.L.54-2011** take effect (July 1,
 40 2013), for the period provided in IC 26-1-9.1-515, as amended by
 41 ~~legislation enacted during the 2011 session of the general~~
 42 ~~assembly~~ **P.L.54-2011** with respect to an initial financing



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- 1 statement.
- 2 (c) To be effective for purposes of subsection (a), an initial
3 financing statement must:
- 4 (1) satisfy the requirements of IC 26-1-9.1-501 through
5 IC 26-1-9.1-527, as amended by ~~legislation enacted during the~~
6 ~~2011 session of the general assembly P.L.54-2011~~ for an initial
7 financing statement;
- 8 (2) identify the pre-effective-date financing statement by
9 indicating the office in which the financing statement was filed
10 and providing the dates of filing and file numbers, if any, of the
11 financing statement and of the most recent continuation statement
12 filed with respect to the financing statement; and
- 13 (3) indicate that the pre-effective-date financing statement
14 remains effective.
- 15 SECTION 183. IC 26-1-9.1-806, AS ADDED BY P.L.54-2011,
16 SECTION 25, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
17 JULY 1, 2013]: Sec. 806. (a) In this section, "pre-effective-date
18 financing statement" means a financing statement filed before the
19 amendments to this chapter made by ~~legislation enacted during the~~
20 ~~2011 session of the general assembly P.L.54-2011~~ take effect (July 1,
21 2013).
- 22 (b) After the amendments to this chapter made by ~~legislation~~
23 ~~enacted during the 2011 session of the general assembly P.L.54-2011~~
24 take effect (July 1, 2013), a person may add or delete collateral covered
25 by, continue or terminate the effectiveness of, or otherwise amend the
26 information provided in, a pre-effective-date financing statement only
27 in accordance with the law of the jurisdiction governing perfection as
28 provided in this chapter, as amended by ~~legislation enacted during the~~
29 ~~2011 session of the general assembly P.L.54-2011~~. However, the
30 effectiveness of a pre-effective-date financing statement also may be
31 terminated in accordance with the law of the jurisdiction in which the
32 financing statement is filed.
- 33 (c) Except as otherwise provided in subsection (d), if the law of this
34 state governs perfection of a security interest, the information in a
35 pre-effective-date financing statement may be amended after the
36 amendments to this chapter made by ~~legislation enacted during the~~
37 ~~2011 session of the general assembly P.L.54-2011~~ take effect (July 1,
38 2013) only if:
- 39 (1) the pre-effective-date financing statement and an amendment
40 are filed in the office specified in IC 26-1-9.1-501;
- 41 (2) an amendment is filed in the office specified in
42 IC 26-1-9.1-501 concurrently with, or after the filing in that office

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1 of, an initial financing statement that satisfies IC 26-1-9.1-805(c);

2 or

3 (3) an initial financing statement that provides the information as
4 amended and satisfies IC 26-1-9.1-805(c) is filed in the office
5 specified in IC 26-1-9.1-501.

6 (d) If the law of this state governs perfection of a security interest,
7 the effectiveness of a pre-effective-date financing statement may be
8 continued only under IC 26-1-9.1-804(c) and IC 26-1-9.1-804(e) or
9 IC 26-1-9.1-805.

10 (e) Whether or not the law of this state governs perfection of a
11 security interest, the effectiveness of a pre-effective-date financing
12 statement filed in this state may be terminated after the amendments to
13 this chapter made by ~~legislation enacted during the 2011 session of the~~
14 ~~general assembly P.L.54-2011~~ take effect (July 1, 2013) by filing a
15 termination statement in the office in which the pre-effective-date
16 financing statement is filed, unless an initial financing statement that
17 satisfies IC 26-1-9.1-805(c) has been filed in the office specified by the
18 law of the jurisdiction governing perfection as provided in this chapter,
19 as amended by ~~legislation enacted during the 2011 session of the~~
20 ~~general assembly, P.L.54-2011~~, as the office in which to file a
21 financing statement.

22 SECTION 184. IC 26-1-9.1-807, AS ADDED BY P.L.54-2011,
23 SECTION 26, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
24 JULY 1, 2013]: Sec. 807. A person may file an initial financing
25 statement or a continuation statement under this chapter if:

26 (1) the secured party of record authorizes the filing; and

27 (2) the filing is necessary under this chapter:

28 (A) to continue the effectiveness of a financing statement filed
29 before the amendments to this chapter made by ~~legislation~~
30 ~~enacted during the 2011 session of the general assembly~~
31 ~~P.L.54-2011~~ take effect (July 1, 2013); or

32 (B) to perfect or continue the perfection of a security interest.

33 SECTION 185. IC 26-1-9.1-808, AS ADDED BY P.L.54-2011,
34 SECTION 27, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
35 JULY 1, 2013]: Sec. 808. The amendments to this chapter made by
36 ~~legislation enacted during the 2011 session of the general assembly~~
37 ~~P.L.54-2011~~ ~~determines~~ **determine** the priority of conflicting claims
38 to collateral. However, if the relative priorities of the claims were
39 established before the amendments to this chapter made by ~~legislation~~
40 ~~enacted during the 2011 session of the general assembly P.L.54-2011~~
41 take effect (July 1, 2013), this chapter, as it existed before amendments
42 to this chapter made by ~~legislation enacted during the 2011 session of~~



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1 the general assembly, P.L.54-2011, determines priority.

2 SECTION 186. IC 27-1-13-16, AS AMENDED BY P.L.116-2011,
3 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
4 UPON PASSAGE]: Sec. 16. (a) This section applies to a policy of
5 insurance that:

6 (1) covers first party loss to property located in Indiana; and

7 (2) insures against loss or damage to:

8 (A) real property consisting of not more than four (4)
9 residential units, one (1) of which is the principal place of
10 residence of the named insured; or

11 (B) personal property in which the named insured has an
12 insurable interest and that is used within a residential dwelling
13 for personal, family, or household purposes.

14 (b) An insurer that reduces, restricts, or removes, through a rider or
15 an endorsement, coverage provided by a policy of insurance must
16 provide to the named insured written notice, through the United States
17 mail or by electronic means, of the changes to the policy. The written
18 notice required by this subsection must:

19 (1) be part of a document that is separate from the rider or
20 endorsement;

21 (2) be printed in at least 12 point type, 1 point leaded;

22 (3) consist of text that achieves a minimum score of forty (40) on
23 the Flesch reading ease test or an equivalent score on a
24 comparable test approved by the commissioner as provided by
25 IC 27-1-26-6;

26 (4) identify the forms, provisions, or endorsements that are
27 changed;

28 (5) indicate that the named insured may contact the servicing
29 insurance producer for the policy, if any, or the insurer ~~that~~ for
30 assistance with any questions concerning the policy changes;

31 (6) indicate whether a premium adjustment will result from the
32 policy changes; and

33 (7) set forth any options available to the named insured to
34 repurchase the coverage that has been reduced, restricted, or
35 removed.

36 (c) If the notice required under subsection (b) is sent through the
37 United States mail, the outside of the envelope used to mail the notice
38 must contain the following statement in at least 14 point type:
39 "Coverage has been reduced, restricted, or removed from your policy."

40 (d) The insurer bears the burden to prove that notice was sent to the
41 named insured in accordance with this section. If the notice is sent
42 through the United States mail, proof of mailing as described in

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1 IC 27-7-6-7 is sufficient proof of the notice.

2 (e) The commissioner may adopt rules under IC 4-22-2 to
3 implement this section.

4 SECTION 187. IC 27-2-22-8, AS ADDED BY P.L.67-2011,
5 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
6 UPON PASSAGE]: Sec. 8. (a) An insurer that pays a policy death
7 benefit in any manner other than a lump sum payment of the full
8 amount of the policy proceeds shall provide, in written or electronic
9 form, a disclosure containing a complete list and clear explanation of
10 all payment options available to the beneficiary.

11 (b) An insurer described in subsection (a) shall not use a retained
12 asset account as the default manner of payment of the policy death
13 benefit unless the insurer conspicuously discloses to the beneficiary
14 that, in the event that the beneficiary does not choose another payment
15 option, a retained asset account will be used as the default manner of
16 payment.

17 (c) The disclosure required by section 7 of this chapter must include
18 the following information:

19 (1) A recommendation for the beneficiary to consult a tax,
20 investment, or other financial adviser regarding tax liability and
21 investment options.

22 (2) The:

23 (A) method by which interest rates are determined;

24 (B) timing and method of interest rate changes; and

25 (C) dividends or other gains that may be paid to the
26 beneficiary;

27 applicable to the funds in the retained asset account.

28 (3) The identity of the custodian of the funds in the retained asset
29 account.

30 (4) Whether the retained asset account is insured by the Federal
31 Deposit Insurance Corporation and, if so, the amount of the
32 coverage.

33 (5) Any limitations on the number and amount of withdrawals of
34 funds from the retained asset account, including minimum or
35 maximum benefit payment amounts.

36 (6) Services related to the retained asset account that are provided
37 for a fee, including a list of the fees or method of calculation of
38 the fees.

39 (7) The nature and frequency of statements of account for the
40 retained asset account.

41 (8) That the payment of some or all of the proceeds may be by the
42 delivery of checks, drafts, or other instruments to access the

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1 available funds.

2 (9) That the entire proceeds are available to the beneficiary by the

3 use of one (1) check, draft, or other instrument.

4 (10) That the insurer or a related party may derive income, in

5 addition to fees charged on the retained asset account, from the

6 total gains received on the investment of the balance of funds in

7 the retained asset account.

8 (11) The telephone number, address, and other contact

9 information, including Internet web site address, from which the

10 beneficiary may obtain additional information regarding the

11 retained asset account.

12 (12) The following statement:

13 "FOR FURTHER INFORMATION, PLEASE CONTACT

14 YOUR STATE DEPARTMENT OF INSURANCE."

15 (e) (d) The disclosures described in this section must be written in:

16 (1) layman's terms; and

17 (2) bold or at least 12 point type.

18 SECTION 188. IC 27-18-3-1, AS ADDED BY P.L.111-2011,

19 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE

20 UPON PASSAGE]: Sec. 1. The commission shall adopt mandatory

21 rules to establish the following:

22 (1) Allocation formulas for each type of nonadmitted insurance

23 coverage, which must be used by each compacting state and

24 contracting state in acquiring premium tax and clearinghouse

25 transaction data from surplus lines licensees and insureds to

26 report to the clearinghouse. The rules described in this

27 subdivision must be adopted with input from surplus lines

28 licensees and must be based on readily available data, with

29 simplicity and uniformity for the surplus lines licensee as a

30 material consideration.

31 (2) Uniform clearinghouse transaction data reporting

32 requirements for all information reported to the clearinghouse.

33 (3) Methods by which compacting states and contracting states

34 will require surplus lines licensees and insureds to pay premium

35 tax and report clearinghouse transaction data to the clearinghouse,

36 including processing clearinghouse transaction data through state

37 stamping and service offices, state insurance departments, or

38 other state designated agencies or entities.

39 (4) That nonadmitted insurance of multistate risks is subject to all

40 regulatory compliance requirements of the home state exclusively.

41 The regulatory compliance requirements that will be applicable

42 to surplus lines insurance under the rules described in this

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- 1 subdivision include the following:
- 2 (A) Licensure requirements for persons to sell, solicit, or
- 3 negotiate surplus lines insurance.
- 4 (B) Insurer eligibility requirements or other approved
- 5 nonadmitted insurer requirements.
- 6 (C) Diligent search requirements.
- 7 (D) Providing state transaction documentation and
- 8 clearinghouse transaction data regarding the payment of
- 9 premium tax under this compact.
- 10 The regulatory compliance requirements that will be applicable
- 11 to independently procured insurance placements under the rules
- 12 described in this subdivision include providing state transaction
- 13 documentation and clearinghouse transaction data regarding the
- 14 payment of premium tax under this compact.
- 15 (5) That each compacting state and each contracting state may
- 16 charge its own rate of taxation on the premium allocated to the
- 17 compacting state or contracting state based on the applicable
- 18 allocation formula. However:
- 19 (A) the state shall establish a single rate of taxation applicable
- 20 to all nonadmitted insurance transactions; and
- 21 (B) no other tax, fee assessment, or other charge by a
- 22 governmental or quasi-governmental agency is permitted,
- 23 except that stamping office fees may be charged as a separate,
- 24 additional cost unless the fees are incorporated into a state's
- 25 single rate of taxation.
- 26 (6) That a change in the rate of taxation by a compacting state or
- 27 contracting state is restricted to changes made prospectively with
- 28 at least ninety (90) days advance notice to the commission.
- 29 (7) That each compacting state and each contracting state shall
- 30 require premium tax payments ~~either~~ annually, semiannually, or
- 31 quarterly, using only one (1) or more of the following dates:
- 32 (A) March 1.
- 33 (B) June 1.
- 34 (C) September 1.
- 35 (D) December 1.
- 36 (8) That each compacting state and each contracting state shall
- 37 prohibit any state agency or political subdivision from requiring
- 38 surplus lines licensees to provide clearinghouse transaction data
- 39 and state transaction documentation other than to:
- 40 (A) the insurance department or tax official; or
- 41 (B) a single designated agent of the insurance department or
- 42 tax official;

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- 1 of the home state.
- 2 (9) The obligation of the home state:
- 3 (A) itself; or
- 4 (B) through a:
- 5 (i) designated agent; or
- 6 (ii) surplus lines stamping or service office;
- 7 to collect clearinghouse transaction data from surplus lines
- 8 licensees and from insureds (for independently procured
- 9 insurance), for reporting to the clearinghouse.
- 10 (10) A method for the clearinghouse to periodically report to
- 11 compacting states, contracting states, surplus lines licensees, and
- 12 insureds who independently procure insurance:
- 13 (A) all premium taxes owed to each of the compacting states
- 14 and contracting states;
- 15 (B) the dates upon which payment of the premium taxes are
- 16 due; and
- 17 (C) a method for paying the premium taxes through the
- 18 clearinghouse.
- 19 (11) That each surplus lines licensee is required to be licensed
- 20 only in the home state of each insured for whom the licensee has
- 21 procured surplus lines insurance.
- 22 (12) That:
- 23 (A) a policy considered to be surplus lines insurance in the
- 24 insured's home state shall be:
- 25 (i) considered to be surplus lines insurance in all compacting
- 26 states and contracting states; and
- 27 (ii) taxed as a surplus lines transaction in all states to which
- 28 a portion of the risk is allocated;
- 29 (B) each compacting state and each contracting state shall
- 30 require each surplus lines licensee to pay to every other
- 31 compacting state and contracting state premium taxes on each
- 32 multistate risk through the clearinghouse at the tax rate
- 33 charged on surplus lines transactions in the other compacting
- 34 state or contracting state on the portion of the risk in the
- 35 compacting state or contracting state, as determined by the
- 36 applicable uniform allocation formula adopted by the
- 37 commission;
- 38 (C) a policy considered to be independently procured
- 39 insurance in the insured's home state is considered to be
- 40 independently procured insurance in all compacting states and
- 41 contracting states; and
- 42 (D) each compacting state and each contracting state shall

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- 1 require the insured to pay every other compacting state and
- 2 contracting state the independently procured insurance
- 3 premium tax on each multistate risk through the clearinghouse,
- 4 as determined by the uniform allocation formula adopted by
- 5 the commission.
- 6 (13) Uniform foreign insurer eligibility requirements, as
- 7 authorized by the NRRA.
- 8 (14) A uniform policyholder notice.
- 9 (15) Uniform treatment of purchasing group surplus lines
- 10 insurance placements.
- 11 SECTION 189. IC 27-18-3-2, AS ADDED BY P.L.111-2011,
- 12 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 13 UPON PASSAGE]: Sec. 2. The commission has the following powers:
- 14 (1) To adopt rules and operating procedures under IC 27-18-8
- 15 that:
- 16 (A) have the force and effect of law; and
- 17 (B) are binding;
- 18 in the compacting states to the extent and in the manner provided
- 19 in this compact.
- 20 (2) To bring and prosecute legal actions in the name of the
- 21 commission. This subdivision does not affect the standing of a
- 22 state insurance department to sue or be sued under applicable law.
- 23 (3) To issue subpoenas requiring the attendance and testimony of
- 24 witnesses and the production of evidence. This subdivision does
- 25 not empower the commission to demand or subpoena records or
- 26 data from nonadmitted insurers.
- 27 (4) To establish and maintain offices, including the creation of a
- 28 clearinghouse for the receipt of premium tax and clearinghouse
- 29 transaction data regarding:
- 30 (A) nonadmitted insurance of multistate risks;
- 31 (B) single state risks for states that elect to require surplus
- 32 lines licensees to pay premium tax on single state risks through
- 33 the clearinghouse; and
- 34 (C) tax reporting forms.
- 35 (5) To purchase and maintain insurance and bonds.
- 36 (6) To borrow, accept, or contract for services of personnel,
- 37 including employees of a compacting state or stamping office,
- 38 under an open, objective, competitive process and procedure
- 39 adopted by the commission.
- 40 (7) To:
- 41 (A) hire employees, professionals, or specialists;
- 42 (B) elect or appoint officers;

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- 1 (C) fix the compensation of individuals described in clauses
 2 (A) and (B);
 3 (D) define the duties of individuals described in clauses (A)
 4 and (B);
 5 (E) give the individuals described in clauses (A) and (B)
 6 appropriate authority to carry out the purposes of this compact;
 7 and
 8 (F) determine the qualifications of individuals described in
 9 clauses (A) and (B);
 10 under an open, objective, competitive process and procedure
 11 adopted by the commission, and to establish the commission's
 12 personnel policies and programs relating to conflicts of interest,
 13 rates of compensation and qualifications of personnel, and other
 14 related personnel matters.
- 15 (8) To:
 16 (A) accept;
 17 (B) receive;
 18 (C) use; and
 19 (D) dispose of;
 20 appropriate donations and grants of money, equipment, supplies,
 21 materials, and services, avoiding at all times any appearance of
 22 impropriety or conflict of interest.
- 23 (9) To:
 24 (A) lease;
 25 (B) purchase;
 26 (C) accept appropriate gifts or donations of; or
 27 (D) otherwise own, hold, improve, or use;
 28 real, personal, or real and personal property, avoiding at all times
 29 any appearance of impropriety or conflict of interest.
- 30 (10) To sell, convey, mortgage, pledge, lease, exchange, abandon,
 31 or otherwise dispose of real, personal, or real and personal
 32 property.
- 33 (11) To provide for tax audit rules and procedures for the
 34 compacting states with respect to the allocation of premium taxes,
 35 including the following:
 36 (A) Minimum audit standards, including sampling methods.
 37 (B) Review of internal controls.
 38 (C) Cooperation and sharing of audit responsibilities among
 39 compacting states.
 40 (D) Handling of refunds or credits due to overpayments or
 41 improper allocation of premium taxes.
 42 (E) Taxpayer records to be reviewed, including a minimum

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- 1 retention period.
- 2 (F) Authority of compacting states to review, challenge, or
- 3 re-audit taxpayer records.
- 4 (12) To enforce compliance by compacting states and contracting
- 5 states with rules and bylaws under the authority set forth in
- 6 IC 27-18-9.
- 7 (13) To provide for dispute resolution among compacting states
- 8 and contracting states.
- 9 (14) To advise compacting states and contracting states on tax
- 10 issues relating to insurers, insureds, surplus lines licensees,
- 11 agents, or brokers domiciled or doing business in noncompacting
- 12 states, consistent with the purposes of this compact.
- 13 (15) To:
- 14 (A) make available advice and training to personnel in state
- 15 stamping offices, state insurance departments, or other state
- 16 departments for record keeping, tax compliance, and tax
- 17 allocations; and
- 18 (B) serve as a resource for state insurance departments and
- 19 other state departments.
- 20 (16) To establish a budget and make expenditures.
- 21 (17) To borrow money.
- 22 (18) To appoint and oversee committees, including advisory
- 23 committees comprised of members, state insurance regulators,
- 24 state legislators or their representatives, insurance industry and
- 25 consumer representatives, and other interested persons designated
- 26 in this compact and the bylaws.
- 27 (19) To establish an executive committee under IC 27-18-4-4 that:
- 28 (A) is comprised of at least seven (7) and not more than fifteen
- 29 (15) representatives, including officers elected by the
- 30 commission and such other representatives as are provided for
- 31 in this article or determined by the bylaws, who:
- 32 (i) serve a one (1) year term; and
- 33 (ii) are each entitled to one (1) vote;
- 34 (B) has the power to act on behalf of the commission, except
- 35 for rulemaking, when the commission is not in session;
- 36 (C) oversees the day to day activities of the administration of
- 37 this compact, including the activities of the operations
- 38 committee ~~created~~ **established** under subdivision (20) and
- 39 IC 27-18-4-5, and compliance and enforcement of the
- 40 provisions of this compact and the bylaws and rules; and
- 41 (D) has other duties as provided in this article and as
- 42 considered necessary.

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1 (20) To establish an operations committee under IC 27-18-4-5
2 consisting of at least seven (7) and not more than fifteen (15)
3 representatives to provide analysis, advice, determinations, and
4 recommendations regarding:

5 (A) technology, software, and systems integration to be
6 acquired by the commission; and

7 (B) the establishment of mandatory rules to be adopted by the
8 commission.

9 (21) To enter into contracts with contracting states to enable
10 contracting states to use the services of and fully participate in the
11 clearinghouse under the terms and conditions set forth in the
12 contracts.

13 (22) To adopt and use a corporate seal.

14 (23) To perform other functions that are necessary or appropriate
15 to the achievement of the purposes of this compact, consistent
16 with state regulation of the business of insurance.

17 SECTION 190. IC 27-18-7-6, AS ADDED BY P.L.111-2011,
18 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
19 UPON PASSAGE]: Sec. 6. The commission and the commission's
20 committees may close a meeting, or a part of a meeting, upon a
21 determination by the commission by majority vote that an open meeting
22 would be likely to do any of the following:

23 (1) Relate solely to the commission's internal personnel practices
24 and procedures.

25 (2) Disclose matters specifically exempted from disclosure by
26 federal ~~and~~ ~~or~~ state statute.

27 (3) Disclose trade secrets or commercial or financial information
28 that is privileged or confidential.

29 (4) Involve:

30 (A) the accusation of a person of a crime; or

31 (B) the formal censure of a person.

32 (5) Disclose information of a personal nature where disclosure
33 would constitute a clearly unwarranted invasion of personal
34 privacy.

35 (6) Disclose investigative records compiled for law enforcement
36 purposes.

37 (7) Specifically relate to the commission's issuance of a subpoena
38 or the commission's participation in a civil action or other legal
39 proceeding.

40 SECTION 191. IC 28-1-2-23, AS AMENDED BY P.L.89-2011,
41 SECTION 32, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
42 UPON PASSAGE]: Sec. 23. (a) A corporation or an individual acting

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1 directly, indirectly, or through or in concert with one (1) or more other
 2 corporations or individuals may not acquire control of any bank, trust
 3 company, stock savings bank, holding company, corporate fiduciary,
 4 or industrial loan and investment company unless the department has
 5 received and approved an application for change in control. The
 6 department has not more than one hundred twenty (120) days following
 7 receipt of an application to issue a notice approving the proposed
 8 change in control. The application shall contain the name and address
 9 of the corporation, individual, or individuals who propose to acquire
 10 control.

11 (b) The period for approval under subsection (a) may be extended:

12 (1) in the discretion of the director for an additional thirty (30)
 13 days; and

14 (2) not to exceed two (2) additional times for not more than
 15 forty-five (45) days each time if:

16 (A) the director determines that the corporation, individual, or
 17 individuals who propose to acquire control have not submitted
 18 substantial evidence of the qualifications described in
 19 subsection (c);

20 (B) the director determines that any material information
 21 submitted is substantially inaccurate; or

22 (C) the director has been unable to complete the investigation
 23 of the corporation, individual, or individuals who propose to
 24 acquire control because of any delay caused by or the
 25 inadequate cooperation of the corporation, individual, or
 26 individuals.

27 (c) The department shall issue a notice approving the application
 28 only after it has become satisfied that both of the following apply:

29 (1) The corporation, individual, or individuals who propose to
 30 acquire control are qualified by competence, experience,
 31 character, and financial responsibility to control and operate the
 32 bank, trust company, stock savings bank, bank holding company,
 33 corporate fiduciary, or industrial loan and investment company in
 34 a legal and proper manner.

35 (2) The interests of the stockholders, depositors, and creditors of
 36 the bank, trust company, stock savings bank, bank holding
 37 company, corporate fiduciary, or industrial loan and investment
 38 company and the interests of the public generally will not be
 39 jeopardized by the proposed change in control.

40 (d) As used in this section, "holding company" means any company
 41 (as defined in IC 28-2-15-5 before July 1, 1992, and as defined in
 42 IC 28-2-16-5 beginning July 1, 1992) that directly or indirectly controls

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1 one (1) or more state chartered financial institutions.
 2 (e) As used in this section, "control", "controlling", "controlled by",
 3 or "under common control with" means possession of the power
 4 directly or indirectly to:
 5 (1) direct or cause the direction of the management or policies of
 6 a bank, a trust company, a holding company, a corporate
 7 fiduciary, or an industrial loan and investment company, whether
 8 through the beneficial ownership of voting securities, by contract,
 9 or otherwise; or
 10 (2) vote at least twenty-five percent (25%) of voting securities of
 11 a bank, a trust company, a holding company, a corporate
 12 fiduciary, or an industrial loan and investment company, whether
 13 the voting rights are derived through the beneficial ownership of
 14 voting securities, by contract, or otherwise.
 15 (f) The director may determine, in the director's discretion, that
 16 subsection (a) does not apply to a transaction if the director determines
 17 that the direct or beneficial ownership of the bank, trust company, stock
 18 savings bank, holding company, corporate fiduciary, or industrial loan
 19 and investment company will not change as a result of the transaction.
 20 (g) The president or other chief executive officer of a financial
 21 institution or holding company shall report to the director any transfer
 22 or sale of shares of stock of the financial institution or holding
 23 company that results in direct or indirect ownership by a stockholder
 24 or an affiliated group of stockholders of at least ten percent (10%) of
 25 the outstanding stock of the financial institution or holding company.
 26 The report required by this ~~section~~ **subsection** must be made not later
 27 than ten (10) days after the transfer of the shares of stock on the books
 28 of the financial institution or holding company.
 29 SECTION 192. IC 28-1-7.1-6, AS ADDED BY P.L.89-2011,
 30 SECTION 33, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 31 UPON PASSAGE]: Sec. 6. (a) The director may determine under
 32 section 5(1)(B) of this chapter, based upon information then available
 33 to the director, that a voluntary supervisory conversion will likely result
 34 in a depository financial institution becoming a viable entity with stock
 35 ownership if all the following are satisfied:
 36 (1) The depository financial institution resulting from the
 37 conversion will be adequately capitalized.
 38 (2) The depository financial institution resulting from the
 39 conversion, and any person acquiring capital stock in the
 40 depository financial **institution** resulting from the conversion,
 41 will comply with all applicable supervisory policies.
 42 (3) The depository financial institution involved in, or the one (1)

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1 or more entities resulting from, the conversion will be insured by
 2 the Federal Deposit Insurance Corporation.
 3 (4) The voluntary supervisory conversion is in the best interest of:
 4 (A) the depository financial institution involved in, or the one
 5 (1) or more entities resulting from, the conversion; and
 6 (B) the public.
 7 (5) The voluntary supervisory conversion will not injure or be
 8 detrimental to:
 9 (A) the depository financial institutions involved in, or the one
 10 (1) or more entities resulting from, the conversion; or
 11 (B) the public interest.
 12 (b) The director may act on a voluntary supervisory merger,
 13 consolidation, sale, or other disposition on behalf of the department.
 14 (c) Except as otherwise provided in this chapter, a provision of
 15 IC 28-1-7 concerning mergers or consolidations applies to a voluntary
 16 supervisory conversion under this chapter unless the director
 17 determines that the provision should be waived or considered
 18 inapplicable with respect to a particular voluntary supervisory
 19 conversion. The director may make a determination described in this
 20 subsection if the director finds, in the director's discretion, that the
 21 determination will:
 22 (1) facilitate the consummation of the voluntary supervisory
 23 conversion; and
 24 (2) in the director's judgment and considering the available
 25 information under the prevailing circumstances, result in one (1)
 26 or more entities that are more favorable to the public than if:
 27 (A) the provision were not waived or considered inapplicable;
 28 or
 29 (B) the voluntary supervisory conversion were not approved.
 30 SECTION 193. IC 28-1-29-3.1, AS ADDED BY P.L.89-2011,
 31 SECTION 38, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 32 UPON PASSAGE]: Sec. 3.1. (a) As used in this section, "control"
 33 means possession of the power directly or indirectly to:
 34 (1) direct or cause the direction of the management or policies of
 35 a licensee, whether through the beneficial ownership of voting
 36 securities, by contract, or otherwise; or
 37 (2) vote at least twenty-five percent (25%) of the voting securities
 38 of a licensee, whether the voting rights are derived through the
 39 beneficial ownership of voting securities, by contract, or
 40 otherwise.
 41 (b) An organization or an individual acting directly, indirectly, or
 42 through or in concert with one (1) or more other organizations or

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1 individuals may not acquire control of any licensee unless the
 2 department has received and approved an application for change in
 3 control. The department has not more than one hundred twenty (120)
 4 days after receipt of an application to issue a notice approving the
 5 proposed change in control. The application must contain the name and
 6 address of the organization, individual, or individuals who propose to
 7 acquire control and any other information required by the director.

8 (c) The period for approval under subsection (b) may be extended:

9 (1) in the discretion of the director for an additional thirty (30)
 10 days; and

11 (2) not more than two (2) additional times for not more than
 12 forty-five (45) days each time if:

13 (A) the director determines that the organization, individual,
 14 or individuals who propose to acquire control have not
 15 submitted substantial evidence of the qualifications described
 16 in subsection (d);

17 (B) the director determines that any material information
 18 submitted is substantially inaccurate; or

19 (C) the director has been unable to complete the investigation
 20 of the organization, individual, or individuals who propose to
 21 acquire control because of any delay caused by or the
 22 inadequate cooperation of the organization, individual, or
 23 individuals.

24 (d) The department shall issue a notice approving the application
 25 only after it is satisfied that both of the following apply:

26 (1) The organization, individual, or individuals who propose to
 27 acquire control are qualified by competence, experience,
 28 character, and financial responsibility to control and operate the
 29 licensee in a legal and proper manner.

30 (2) The interests of the owners and creditors of the licensee and
 31 the interests of the public generally will not be jeopardized by the
 32 proposed change in control.

33 (e) The director may determine, in the director's discretion, that
 34 subsection (b) does not apply to a transaction if the director determines
 35 that the direct or beneficial ownership of the licensee will not change
 36 as a result of the transaction.

37 (f) The president or other chief executive officer of a licensee shall
 38 report to the director any transfer or sale of securities of the licensee
 39 that results in direct or indirect ownership by a holder or an affiliated
 40 group of holders of at least ten percent (10%) of the outstanding
 41 securities of the licensee. The report required by this ~~section~~
 42 **subsection** must be made not later than ten (10) days after the transfer

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1 of the securities on the books of the licensee.

2 (g) Depending on the circumstances of the transaction, the director
3 may reserve the right to require the organization, individual, or
4 individuals who propose to acquire control of a licensee to apply for a
5 new license under section 3 of this chapter, instead of acquiring control
6 of the licensee under this section.

7 SECTION 194. IC 28-1-29-8.3, AS AMENDED BY P.L.89-2011,
8 SECTION 42, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
9 UPON PASSAGE]: Sec. 8.3. (a) Except as otherwise permitted by this
10 section, a licensee may not:

11 (1) impose, directly or indirectly, a fee or other charge on a
12 debtor; or

13 (2) receive money from or on behalf of a debtor for debt
14 management services.

15 (b) A licensee may not impose charges or receive payment for debt
16 management services until:

17 (1) the licensee and the debtor have agreed upon a plan and have
18 signed an agreement that complies with sections 8, 8.6, and 9.5 of
19 this chapter; and

20 (2) at least one (1) payment has been made to a creditor under the
21 plan.

22 All creditors must be notified of the debtor's and licensee's relationship.

23 (c) If a debtor assents to a plan, the licensee may charge the
24 following:

25 (1) A set up fee of not more than fifty dollars (\$50) for
26 consultation, obtaining a credit report, and setting up an account.
27 Acceptance of a plan payment constitutes agreement by the
28 creditor to the plan. A set up fee under this subdivision may not
29 be collected until the debtor, or the licensee on behalf of the
30 debtor, has made at least one (1) payment to a creditor under the
31 plan.

32 (2) A monthly service fee of the lesser of:

33 (A) not more than fifteen percent (15%) of the amount the
34 contract debtor agrees to pay through the licensee, divided into
35 equal monthly payments over the term of the agreement; or

36 (B) not more than seventy-five dollars (\$75) in any month.

37 The monthly service fee under this subdivision may be charged
38 for any one (1) month or part of a month. The amount of a set up
39 fee under subdivision (1) may not be included in the calculation
40 of the monthly service fee.

41 (d) Upon cancellation by a contract debtor or termination of
42 payments by a contract debtor, a licensee may not withhold for the

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1 licensee's own benefit more than one hundred dollars (\$100), which
2 may be accrued as a close-out fee.

3 (e) A licensee may not charge a contract debtor more than one (1)
4 set up fee or one (1) ~~cancellation~~ **close-out** fee unless the contract
5 debtor leaves the services of the licensee for more than six (6) months.

6 (f) With respect to any additional charge not specifically provided
7 for in this section, the licensee must submit a written explanation of the
8 charge to the department indicating how the charge would be assessed
9 and the value or benefit conferred on the contract debtor in connection
10 with the charge. Supporting documents may be required by the
11 department. The department shall determine whether the charge:

12 (1) would be imposed in relation to some benefit conferred on the
13 consumer; and

14 (2) is reasonable in relation to the benefit conferred.

15 An additional charge is not permitted unless approved by the
16 department.

17 (g) For purposes of this chapter, the terms of an agreement
18 commence on the date on which the agreement is made.

19 (h) A licensee may assess a charge of not more than twenty-five
20 dollars (\$25) for each return by a bank or other depository institution
21 of a dishonored check, negotiable order of withdrawal, or share draft
22 issued by the contract debtor.

23 (i) Any fee charged by the licensee to the debtor under this section
24 for services rendered by the licensee, other than the fees described
25 under subsection (e), is not considered a debt owed by the debtor to the
26 licensee.

27 SECTION 195. IC 28-1-29-9, AS AMENDED BY P.L.89-2011,
28 SECTION 43, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
29 UPON PASSAGE]: Sec. 9. (a) All money paid to a licensee by or on
30 behalf of a contract debtor for distribution to creditors under a plan is
31 held in trust. On or before the close of the same banking day the funds
32 are received, the licensee shall deposit the money in a trust account
33 established for the benefit of the contract debtor to whom the licensee
34 is furnishing debt management services.

35 (b) A licensee shall do the following:

36 (1) Maintain separate records of account for each individual to
37 whom the licensee is furnishing debt management services.

38 (2) Disburse money paid by or on behalf of the contract debtor to
39 creditors of the contract debtor as disclosed in the agreement.

40 (3) Make remittances not later than thirty (30) days after initial
41 receipt of funds. After the initial receipt of funds, remittances
42 shall be made not later than thirty (30) days after receipt of funds,

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1 less fees and costs, unless the reasonable payment of one (1) or
 2 more of the contract debtor's obligations requires that the funds be
 3 held for a longer period to accumulate a sum certain. For purposes
 4 of this section, the close-out fee set forth in section 8.3(d) of this
 5 chapter is not considered an obligation of the contract debtor.

6 (4) Retain in the contract debtor's trust account, for charges, an
 7 amount less than or equal to the sum of one (1) month's fee as
 8 permitted by section 8.3(c)(2) of this chapter plus the close-out
 9 fee as permitted by section 8.3(d) of this chapter, unless a greater
 10 amount is approved in writing by the department.

11 (5) Promptly:

12 (A) correct any payments that are not made or that are
 13 misdirected as a result of an error by the licensee or other
 14 person in control of the trust account; and

15 (B) reimburse the contract debtor for any costs or fees imposed
 16 by a creditor as a result of the failure to pay or misdirection.

17 (c) A licensee may not commingle money in a trust account
 18 established for the benefit of a contract ~~debtors~~ debtor to whom the
 19 licensee is furnishing debt management services with money of other
 20 persons.

21 (d) A trust account must at all times have a cash balance equal to the
 22 sum of the balances of each contract debtor's account.

23 (e) If a licensee has established a trust account under subsection (a),
 24 the licensee shall reconcile the trust account at least every thirty (30)
 25 days after receipt of the bank statement. The reconciliation must
 26 compare the cash balance in the trust account with the sum of the
 27 balances in each contract debtor's account. If the licensee or the
 28 licensee's designee has more than one (1) trust account, each trust
 29 account must be individually reconciled.

30 (f) If a licensee or a licensee's employee discovers, or has a
 31 reasonable suspicion of, embezzlement or other unlawful appropriation
 32 of money held in trust, the licensee or the licensee's employee shall:

33 (1) immediately notify the department in writing; and

34 (2) unless the department by rule provides otherwise, give notice
 35 to the department describing the remedial action taken or to be
 36 taken not later than five (5) days after the licensee or the
 37 licensee's employee discovers, or has a reasonable suspicion of,
 38 the embezzlement or other unlawful appropriation.

39 (g) If a contract debtor terminates an agreement or it becomes
 40 reasonably apparent to a licensee that a plan has failed, the licensee
 41 shall promptly refund to the contract debtor all money paid by or on
 42 behalf of the contract debtor that has not been paid to creditors less the

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1 fee that is payable to the licensee under section 8.3(e) of this chapter.

2 (h) Before relocating a trust account from one (1) bank to another,
3 a licensee shall inform the department of the name, business address,
4 and telephone number of the new bank. As soon as practicable, the
5 licensee shall inform the department of the account number of the trust
6 account at the new bank.

7 (i) At least once every three (3) months the licensee shall render an
8 accounting to the contract debtor which must itemize the total amount
9 received from the contract debtor, the total amount paid each creditor,
10 the amount of charges deducted, and any amount held in reserve. A
11 licensee shall provide such an accounting to a contract debtor not later
12 than seven (7) days after written demand, but is not required to provide
13 more than three (3) such accountings per six (6) month period.

14 (j) Upon the completion or termination of a contract between a
15 licensee and a contract debtor, the licensee shall provide to the contract
16 debtor a statement:

17 (1) indicating that the licensee no longer holds funds in trust for
18 the contract debtor; and

19 (2) listing the name and address of:

20 (A) each creditor paid in full; and

21 (B) any creditors remaining unpaid.

22 SECTION 196. IC 28-7-1-9, AS AMENDED BY P.L.89-2011,
23 SECTION 47, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
24 UPON PASSAGE]: Sec. 9. (a) A credit union has the following
25 powers:

26 (1) To issue shares of its capital stock to its members. No
27 commission or compensation shall be paid for securing members
28 or for the sale of shares.

29 (2) To make loans to officers, directors, or committee members
30 under sections 17.1 and 17.2 of this chapter.

31 (3) To invest in any of the following:

32 (A) Bonds, notes, or certificates that are the direct or indirect
33 obligations of the United States, or of the state, or the direct
34 obligations of a county, township, city, town, or other taxing
35 district or municipality or instrumentality of Indiana and that
36 are not in default.

37 (B) Bonds or debentures issued by the Federal Home Loan
38 Bank Act (12 U.S.C. 1421 through 1449) or the Home Owners'
39 Loan Act (12 U.S.C. 1461 through 1468).

40 (C) Obligations of national mortgage associations issued under
41 the authority of the National Housing Act.

42 (D) Mortgages on real estate situated in Indiana which are

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- 1 fully insured under Title 2 of the National Housing Act (12
2 U.S.C. 1707 through 1715z).
- 3 (E) Obligations issued by farm credit banks and banks for
4 cooperatives under the Farm Credit Act of 1971 (12 U.S.C.
5 2001 through 2279aa-14).
- 6 (F) ~~In~~ Savings and loan associations, other credit unions that
7 are insured under section 31.5 of this chapter, and certificates
8 of indebtedness or investment of an industrial loan and
9 investment company if the association or company is federally
10 insured. Not more than twenty percent (20%) of the assets of
11 a credit union may be invested in the shares or certificates of
12 an association or company, nor more than forty percent (40%)
13 in all such associations and companies.
- 14 (G) Corporate credit unions.
- 15 (H) Federal funds or similar types of daily funds transactions
16 with other financial institutions.
- 17 (I) Shares or certificates of an open-end management
18 investment company registered with the Securities and
19 Exchange Commission under the Investment Company Act of
20 1940 (15 U.S.C. 80a-1 through 15 U.S.C. 80a-3 and 15 U.S.C.
21 80a-4 through 15 U.S.C. 80a-64), if all of the following
22 conditions are met:
- 23 (i) The fund's assets consist of and are limited to securities
24 in which a credit union may invest directly.
- 25 (ii) The credit union has an equitable and undivided interest
26 in the underlying assets of the fund.
- 27 (iii) The credit union is not liable for acts or obligations of
28 the fund.
- 29 (iv) The credit union's investment in any one (1) fund does
30 not exceed fifteen percent (15%) of the amount of the credit
31 union's net worth.
- 32 (J) For a credit union that is well capitalized (as defined in Part
33 702 of the Rules and Regulations of the National Credit Union
34 Administration, 12 CFR 702), investment securities, as may be
35 defined by a statute or a policy or rule of the department and
36 subject to the following:
- 37 (i) The department may prescribe, by policy or rule,
38 limitations or restrictions on a credit union's investment in
39 investment securities.
- 40 (ii) The total amount of any investment securities purchased
41 or held by a credit union may never exceed at any given time
42 ten percent (10%) of the capital and surplus of the credit

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1 union. However, the limitations imposed by this item do not
 2 apply to investments in the direct or indirect obligations of
 3 the United States or in the direct obligations of a United
 4 States territory or insular possession, or in the direct
 5 obligations of the state or any municipal corporation or
 6 taxing district in Indiana.

7 (iii) A credit union may not purchase for its own account
 8 any bond, note, or other evidence of indebtedness that is
 9 commonly designated as a security that is speculative in
 10 character or that has speculative characteristics. For the
 11 purposes of this item, a security is speculative or has
 12 speculative characteristics if at the time of purchase the
 13 security is in default, is rated below the first four (4) rating
 14 classes by a generally recognized security rating service, or
 15 is otherwise considered speculative by the director.

16 (iv) A credit union may purchase for its own account a
 17 security that is not rated by a generally recognized security
 18 rating service if the credit union at the time of purchase
 19 obtains financial information that is adequate to document
 20 the investment quality of the security and if the security is
 21 not otherwise considered speculative by the director.

22 (v) A credit union that purchases a security for its own
 23 account shall maintain sufficient records of the security to
 24 allow the security to be properly identified by the
 25 department for examination purposes.

26 (vi) Except as otherwise authorized by this title, a credit
 27 union may not purchase any share of stock of a corporation.
 28 If a credit union possesses stock or another equity
 29 investment as a result of a loan default, the credit union shall
 30 dispose of the investment within a reasonable period that
 31 does not exceed one (1) year or a longer period if approved
 32 by the department.

33 (vii) Subject to items (i) through (iv), a credit union may
 34 purchase yankee dollar deposits, eurodollar deposits,
 35 banker's acceptances, deposit notes, bank notes with original
 36 weighted average maturities of less than five (5) years, and
 37 investments in obligations of, or issued by, any state or
 38 political subdivision (including any agency, corporation, or
 39 instrumentality of a state or political subdivision).

40 (K) Collateralized obligations that are eligible for purchase
 41 and sale by federal credit unions. However, a credit union may
 42 purchase for its own account and sell the obligations only to

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- 1 the extent that a federal credit union can purchase and sell
2 those obligations.
- 3 (4) With the prior approval of the department, and subject to the
4 limitations of this subsection, a credit union may organize, invest
5 in, or loan money to a credit union service organization (as
6 defined in Part 712 of the regulations of the National Credit
7 Union Administration, 12 CFR 712). A credit union may not loan
8 or invest in a credit union service organization if the aggregate
9 amount of all such loans or investments in a particular credit
10 union service organization is greater than ten percent (10%) of the
11 capital, surplus, and unimpaired shares of the credit union without
12 the prior written approval of the department. A credit union may
13 organize, invest in, or loan money to a credit union service
14 organization described in this subdivision only if the following
15 requirements are met:
- 16 (A) The credit union service organization is adequately
17 capitalized or has a reasonable plan for adequate capitalization
18 if the credit union service organization is to be formed or is
19 newly formed.
- 20 (B) The credit union service organization is structured and
21 operated as a separate legal entity from the credit union.
- 22 (C) The credit union obtains a written legal opinion that the
23 credit union service organization is structured and operated in
24 a manner that limits the credit union's potential liability for the
25 debts and liabilities of the credit union service organization to
26 not more than the loss of money invested in or loaned to the
27 credit union service organization by the credit union.
- 28 (D) The credit union service organization agrees in writing to
29 prepare financial statements and provide the financial
30 statements to the credit union at least quarterly, and to the
31 department upon request.
- 32 (E) The credit union service organization agrees in writing to
33 obtain an audit of the credit union service organization from a
34 certified public accountant at least annually and provide a
35 copy of each audit report to the credit union, and to the
36 department upon request. A wholly owned credit union service
37 organization is not required to obtain a separate annual audit
38 if the credit union service organization is included in the
39 annual consolidated audit of the credit union that is the credit
40 union service organization's parent.
- 41 (F) The credit union service organization operates in
42 compliance with all applicable federal and state laws.

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- 1 (5) To deposit its funds into:
- 2 (A) depository institutions that are federally insured; or
- 3 (B) state chartered credit unions that are privately insured by
- 4 an insurer approved by the department.
- 5 (6) To purchase, hold, own, or convey real estate as may be
- 6 conveyed to the credit union in satisfaction of debts previously
- 7 contracted or in exchange for real estate conveyed to the credit
- 8 union.
- 9 (7) To own, hold, or convey real estate as may be purchased by
- 10 the credit union upon judgment in its favor or decrees of
- 11 foreclosure upon mortgages.
- 12 (8) To issue shares of stock and upon the terms, conditions,
- 13 limitations, and restrictions and with the relative rights as may be
- 14 stated in the bylaws of the credit union, but no stock may have
- 15 preference or priority over the other to share in the assets of the
- 16 credit union upon liquidation or dissolution or for the payment of
- 17 dividends except as to the amount of the dividends and the time
- 18 for the payment of the dividends as provided in the bylaws.
- 19 (9) To charge the member's share account for the actual cost of a
- 20 necessary locator service when the member has failed to keep the
- 21 credit union informed about the member's current address. The
- 22 charge shall be made only for amounts paid to a person or concern
- 23 normally engaged in providing such service, and shall be made
- 24 against the account or accounts of any one (1) member not more
- 25 than once in any twelve (12) month period.
- 26 (10) To transfer to an accounts payable account, a dormant
- 27 account, or a special account share accounts which have been
- 28 inactive, except for dividend credits, for a period of at least two
- 29 (2) years. The credit union shall not consider the payment of
- 30 dividends on the transferred account.
- 31 (11) To invest in fixed assets with the funds of the credit union.
- 32 An investment in fixed assets in excess of five percent (5%) of its
- 33 assets is subject to the approval of the department. A credit union
- 34 may rent excess space at the credit union's main office or branch
- 35 as a source of income.
- 36 (12) To establish branch offices, upon approval of the department,
- 37 provided that all books of account shall be maintained at the
- 38 principal office.
- 39 (13) To pay an interest refund on loans proportionate to the
- 40 interest paid during the dividend period by borrowers who are
- 41 members at the end of the dividend period.
- 42 (14) To purchase life savings and loan protection insurance for

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- 1 the benefit of the credit union and its members, if:
- 2 (A) the coverage is placed with an insurance company licensed
- 3 to do business in Indiana; and
- 4 (B) no officer, director, or employee of the credit union
- 5 personally benefits, directly or indirectly, from the sale or
- 6 purchase of the coverage.
- 7 (15) To sell and cash negotiable checks, travelers checks, and
- 8 money orders for members.
- 9 (16) To purchase members' notes from any liquidating credit
- 10 union, with written approval from the department, at prices agreed
- 11 upon by the boards of directors of both the liquidating and the
- 12 purchasing credit unions. However, the aggregate of the unpaid
- 13 balances of all notes of liquidating credit unions purchased by any
- 14 one (1) credit union shall not exceed ten percent (10%) of the
- 15 purchasing credit union's capital and surplus unless special
- 16 written authorization has been granted by the department.
- 17 (17) To exercise such incidental powers necessary or requisite to
- 18 enable it to carry on effectively the business for which it is
- 19 incorporated.
- 20 (18) To act as a custodian or trustee of any trust created or
- 21 organized in the United States and forming part of a tax
- 22 advantaged savings plan which qualifies or qualified for specific
- 23 tax treatment under Section 223, 401(d), 408, 408A, or 530 of the
- 24 Internal Revenue Code, if the funds of the trust are invested only
- 25 in share accounts or insured certificates of the credit union.
- 26 (19) To issue shares or insured certificates to a trustee or
- 27 custodian of a pension plan, profit sharing plan, or stock bonus
- 28 plan which qualifies for specific tax treatment under Sections
- 29 401(d) or 408(a) of the Internal Revenue Code.
- 30 (20) A credit union may exercise any rights and privileges that
- 31 are:
- 32 (A) granted to federal credit unions; but
- 33 (B) not authorized for credit unions under the Indiana Code
- 34 (except for this section) or any rule adopted under the Indiana
- 35 Code;
- 36 if the credit union complies with section 9.2 of this chapter.
- 37 (21) To sell, pledge, or discount any of its assets. However, a
- 38 credit union may not pledge any of its assets as security for the
- 39 safekeeping and prompt payment of any money deposited, except
- 40 that a credit union may, for the safekeeping and prompt payment
- 41 of money deposited, give security as authorized by federal law.
- 42 (22) To purchase assets of another credit union and to assume the

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- 1 liabilities of the selling credit union.
- 2 (23) To act as a fiscal agent of the United States and to receive
- 3 deposits from nonmember units of the federal, state, or county
- 4 governments, from political subdivisions, and from other credit
- 5 unions upon which the credit union may pay varying interest rates
- 6 at varying maturities subject to terms, rates, and conditions that
- 7 are established by the board of directors. However, the total
- 8 amount of public funds received from units of state and county
- 9 governments and political subdivisions that a credit union may
- 10 have on deposit may not exceed twenty percent (20%) of the total
- 11 assets of that credit union, excluding those public funds.
- 12 (24) To join the National Credit Union Administration Central
- 13 Liquidity Facility.
- 14 (25) To participate in community investment initiatives under the
- 15 administration of organizations:
- 16 (A) exempt from taxation under Section 501(c)(3) of the
- 17 Internal Revenue Code; and
- 18 (B) located or conducting activities in communities in which
- 19 the credit union does business.
- 20 Participation may be in the form of either charitable contributions
- 21 or participation loans. In either case, disbursement of funds
- 22 through the administering organization is not required to be
- 23 limited to members of the credit union. Total contributions or
- 24 participation loans may not exceed one-tenth of one percent
- 25 (0.1%) of total assets of the credit union. A recipient of a
- 26 contribution or loan is not considered qualified for credit union
- 27 membership. A contribution or participation loan made under this
- 28 subdivision must be approved by the board of directors.
- 29 (26) To establish and operate an automated teller machine
- 30 (ATM):
- 31 (A) at any location within Indiana; or
- 32 (B) as permitted by the laws of the state in which the
- 33 automated teller machine is to be located.
- 34 (27) To demand and receive, for the faithful performance and
- 35 discharge of services performed under the powers vested in the
- 36 credit union by this article:
- 37 (A) reasonable compensation, or compensation as fixed by
- 38 agreement of the parties;
- 39 (B) all advances necessarily paid out and expended in the
- 40 discharge and performance of its duties; and
- 41 (C) unless otherwise agreed upon, interest at the legal rate on
- 42 the advances referred to in clause (B).

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1 (28) Subject to any restrictions the department may impose, to
 2 become the owner or lessor of personal property acquired upon
 3 the request and for the use of a member and to incur additional
 4 obligations as may be incident to becoming an owner or lessor of
 5 such property.

6 (b) A credit union shall maintain files containing credit and other
 7 information adequate to demonstrate evidence of prudent business
 8 judgment in exercising the investment powers granted under this
 9 chapter or by rule, order, or declaratory ruling of the department.

10 SECTION 197. IC 28-7-5-9.1, AS ADDED BY P.L.89-2011,
 11 SECTION 52, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 12 UPON PASSAGE]: Sec. 9.1. (a) As used in this section, "control"
 13 means possession of the power directly or indirectly to:

14 (1) direct or cause the direction of the management or policies of
 15 a licensee, whether through the beneficial ownership of voting
 16 securities, by contract, or otherwise; or

17 (2) vote at least twenty-five percent (25%) of the voting securities
 18 of a licensee, whether the voting rights are derived through the
 19 beneficial ownership of voting securities, by contract, or
 20 otherwise.

21 (b) An organization or an individual acting directly, indirectly, or
 22 through or in concert with one (1) or more other organizations or
 23 individuals may not acquire control of any licensee unless the
 24 department has received and approved an application for change in
 25 control. The department has not more than one hundred twenty (120)
 26 days after receipt of an application to issue a notice approving the
 27 proposed change in control. The application must contain the name and
 28 address of the organization, individual, or individuals who propose to
 29 acquire control and any other information required by the director.

30 (c) The period for approval under subsection (b) may be extended:

31 (1) in the discretion of the director for an additional thirty (30)
 32 days; and

33 (2) not more than two (2) additional times for not more than
 34 forty-five (45) days each time if:

35 (A) the director determines that the organization, individual,
 36 or individuals who propose to acquire control have not
 37 submitted substantial evidence of the qualifications described
 38 in subsection (d);

39 (B) the director determines that any material information
 40 submitted is substantially inaccurate; or

41 (C) the director has been unable to complete the investigation
 42 of the organization, individual, or individuals who propose to

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- 1 acquire control because of any delay caused by or the
2 inadequate cooperation of the organization, individual, or
3 individuals.
- 4 (d) The department shall issue a notice approving the application
5 only after it is satisfied that both of the following apply:
- 6 (1) The organization, individual, or individuals who propose to
7 acquire control are qualified by competence, experience,
8 character, and financial responsibility to control and operate the
9 licensee in a legal and proper manner.
- 10 (2) The interests of the owners and creditors of the licensee and
11 the interests of the public generally will not be jeopardized by the
12 proposed change in control.
- 13 (e) The director may determine, in the director's discretion, that
14 subsection (b) does not apply to a transaction if the director determines
15 that the direct or beneficial ownership of the licensee will not change
16 as a result of the transaction.
- 17 (f) The president or other chief executive officer of a licensee shall
18 report to the director any transfer or sale of securities of the licensee
19 that results in direct or indirect ownership by a holder or an affiliated
20 group of holders of at least ten percent (10%) of the outstanding
21 securities of the licensee. The report required by this ~~section~~
22 **subsection** must be made not later than ten (10) days after the transfer
23 of the securities on the books of the licensee.
- 24 (g) Depending on the circumstances of the transaction, the director
25 may reserve the right to require the organization, individual, or
26 individuals who propose to acquire control of a licensee to apply for a
27 new license under section 4 of this chapter, instead of acquiring control
28 of the licensee under this section.
- 29 SECTION 198. IC 28-8-4-40.2, AS ADDED BY P.L.89-2011,
30 SECTION 59, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
31 UPON PASSAGE]: Sec. 40.2. (a) As used in this section, "control"
32 means possession of the power directly or indirectly to:
- 33 (1) direct or cause the direction of the management or policies of
34 a licensee, whether through the beneficial ownership of voting
35 securities, by contract, or otherwise; or
36 (2) vote at least twenty-five percent (25%) of the voting securities
37 of a licensee, whether the voting rights are derived through the
38 beneficial ownership of voting securities, by contract, or
39 otherwise.
- 40 (b) An organization or an individual acting directly, indirectly, or
41 through or in concert with one (1) or more other organizations or
42 individuals may not acquire control of any licensee unless the

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1 department has received and approved an application for change in
 2 control. The department has not more than one hundred twenty (120)
 3 days after receipt of an application to issue a notice approving the
 4 proposed change in control. The application must contain the name and
 5 address of the organization, individual, or individuals who propose to
 6 acquire control and any other information required by the director.

7 (c) The period for approval under subsection (b) may be extended:

8 (1) in the discretion of the director for an additional thirty (30)
 9 days; and

10 (2) not more than two (2) additional times for not more than
 11 forty-five (45) days each time if:

12 (A) the director determines that the organization, individual,
 13 or individuals who propose to acquire control have not
 14 submitted substantial evidence of the qualifications described
 15 in subsection (d);

16 (B) the director determines that any material information
 17 submitted is substantially inaccurate; or

18 (C) the director has been unable to complete the investigation
 19 of the organization, individual, or individuals who propose to
 20 acquire control because of any delay caused by or the
 21 inadequate cooperation of the organization, individual, or
 22 individuals.

23 (d) The department shall issue a notice approving the application
 24 only after it is satisfied that both of the following apply:

25 (1) The organization, individual, or individuals who propose to
 26 acquire control are qualified by competence, experience,
 27 character, and financial responsibility to control and operate the
 28 licensee in a legal and proper manner.

29 (2) The interests of the owners and creditors of the licensee and
 30 the interests of the public generally will not be jeopardized by the
 31 proposed change in control.

32 (e) The director may determine, in the director's discretion, that
 33 subsection (b) does not apply to a transaction if the director determines
 34 that the direct or beneficial ownership of the licensee will not change
 35 as a result of the transaction.

36 (f) The president or other chief executive officer of a licensee shall
 37 report to the director any transfer or sale of securities of the licensee
 38 that results in direct or indirect ownership by a holder or an affiliated
 39 group of holders of at least ten percent (10%) of the outstanding
 40 securities of the licensee. The report required by this ~~section~~
 41 **subsection** must be made not later than ten (10) days after the transfer
 42 of the securities on the books of the licensee.



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1 (g) Depending on the circumstances of the transaction, the director
 2 may reserve the right to require the organization, individual, or
 3 individuals who propose to acquire control of a licensee to apply for a
 4 new license under section 20 of this chapter, instead of acquiring
 5 control of the licensee under this section.

6 SECTION 199. IC 28-8-5-13.1, AS ADDED BY P.L.89-2011,
 7 SECTION 64, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 8 UPON PASSAGE]: Sec. 13.1. (a) As used in this section, "control"
 9 means possession of the power directly or indirectly to:

10 (1) direct or cause the direction of the management or policies of
 11 a licensee, whether through the beneficial ownership of voting
 12 securities, by contract, or otherwise; or

13 (2) vote at least twenty-five percent (25%) of the voting securities
 14 of a licensee, whether the voting rights are derived through the
 15 beneficial ownership of voting securities, by contract, or
 16 otherwise.

17 (b) An organization or an individual acting directly, indirectly, or
 18 through or in concert with one (1) or more other organizations or
 19 individuals may not acquire control of any licensee unless the
 20 department has received and approved an application for change in
 21 control. The department has not more than one hundred twenty (120)
 22 days after receipt of an application to issue a notice approving the
 23 proposed change in control. The application must contain the name and
 24 address of the organization, individual, or individuals who propose to
 25 acquire control and any other information required by the director.

26 (c) The period for approval under subsection (b) may be extended:

27 (1) in the discretion of the director for an additional thirty (30)
 28 days; and

29 (2) not more than two (2) additional times for not more than
 30 forty-five (45) days each time if:

31 (A) the director determines that the organization, individual,
 32 or individuals who propose to acquire control have not
 33 submitted substantial evidence of the qualifications described
 34 in subsection (d);

35 (B) the director determines that any material information
 36 submitted is substantially inaccurate; or

37 (C) the director has been unable to complete the investigation
 38 of the organization, individual, or individuals who propose to
 39 acquire control because of any delay caused by or the
 40 inadequate cooperation of the organization, individual, or
 41 individuals.

42 (d) The department shall issue a notice approving the application

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- 1 only after it is satisfied that both of the following apply:
- 2 (1) The organization, individual, or individuals who propose to
- 3 acquire control are qualified by competence, experience,
- 4 character, and financial responsibility to control and operate the
- 5 licensee in a legal and proper manner.
- 6 (2) The interests of the owners and creditors of the licensee and
- 7 the interests of the public generally will not be jeopardized by the
- 8 proposed change in control.
- 9 (e) The director may determine, in the director's discretion, that
- 10 subsection (b) does not apply to a transaction if the director determines
- 11 that the direct or beneficial ownership of the licensee will not change
- 12 as a result of the transaction.
- 13 (f) The president or other chief executive officer of a licensee shall
- 14 report to the director any transfer or sale of securities of the licensee
- 15 that results in direct or indirect ownership by a holder or an affiliated
- 16 group of holders of at least ten percent (10%) of the outstanding
- 17 securities of the licensee. The report required by this ~~section~~
- 18 **subsection** must be made not later than ten (10) days after the transfer
- 19 of the securities on the books of the licensee.
- 20 (g) Depending on the circumstances of the transaction, the director
- 21 may reserve the right to require the organization, individual, or
- 22 individuals who propose to acquire control of a licensee to apply for a
- 23 new license under section 11 of this chapter, instead of acquiring
- 24 control of the licensee under this section.
- 25 SECTION 200. IC 28-11-1-1, AS AMENDED BY P.L.217-2007,
- 26 SECTION 89, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 27 JULY 1, 2012]: Sec. 1. (a) The department of financial institutions is
- 28 established.
- 29 (b) The department:
- 30 (1) is an independent agency in the executive branch of state
- 31 government; and
- 32 (2) exercises essential public functions.
- 33 (c) The expenses of the department in administering the financial
- 34 institutions subject to the department's oversight are paid by financial
- 35 institutions through fees established by the department under
- 36 IC 28-11-3-5.
- 37 (d) Subject to subsection (e), the department's regulatory and
- 38 budgetary functions are not subject to oversight by the following:
- 39 (1) The office of management and budget (notwithstanding
- 40 IC 4-3-22-14).
- 41 (2) The budget agency (notwithstanding IC 4-12-1).
- 42 (3) The state personnel department (notwithstanding ~~IC 4-15-1.8~~).

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1 **IC 4-15-2.2).**
2 (4) The Indiana department of administration (notwithstanding
3 IC 4-13-1).
4 (5) The office of technology (notwithstanding IC 4-13.1).
5 (e) The department's funds, accounts, and financial affairs shall be
6 examined biennially by the state board of accounts under
7 IC 5-11-1-9(c).
8 SECTION 201. IC 29-2-19-17, AS AMENDED BY P.L.34-2011,
9 SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
10 UPON PASSAGE]: Sec. 17. The right to control the disposition of a
11 decedent's body, to make arrangements for funeral services, and to
12 make other ceremonial arrangements after an individual's death
13 devolves on the following, in the priority listed:
14 (1) A person:
15 (A) granted the authority to serve in a funeral planning
16 declaration executed by the decedent under this chapter; or
17 (B) named in a United States Department of Defense form
18 "Record of Emergency Data" (DD Form 93) or a successor
19 form adopted by the United States Department of Defense, if
20 the decedent died while serving in any branch of the United
21 States Armed Forces (as defined in 10 U.S.C. 1481) and
22 completed the form.
23 (2) An individual specifically granted the authority in a power of
24 attorney or a health care power of attorney executed by the
25 decedent under IC 30-5-5-16.
26 (3) The decedent's surviving spouse.
27 (4) A surviving adult child of the decedent or, if more than one
28 (1) adult child is surviving, the majority of the other adult
29 children. However, less than half of the surviving adult children
30 have the rights under this subdivision if the adult children have
31 used reasonable efforts to notify the other surviving adult children
32 of their intentions and are not aware of any opposition to the final
33 disposition instructions by more than half of the surviving adult
34 children.
35 (5) The surviving parent or parents of the decedent. If one (1) of
36 the parents is absent, the parent who is present has the rights
37 under this subdivision if the parent who is present has used
38 reasonable efforts to notify the absent parent.
39 (6) The decedent's surviving sibling or, if more than one (1)
40 sibling is surviving, the majority of the surviving siblings.
41 However, less than half of the surviving siblings have the rights
42 under this subdivision if the siblings have used reasonable efforts

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1 to notify the other surviving siblings of their intentions and are
 2 not aware of any opposition to the final disposition instructions by
 3 more than half of the surviving siblings.
 4 (7) An individual in the next degree of kinship under IC 29-1-2-1
 5 to inherit the estate of the decedent or, if more than one (1)
 6 individual of the same degree survives, the majority of those who
 7 ~~have are of~~ the same degree of kinship. However, less than half
 8 of the individuals who ~~have are of~~ the same degree of kinship
 9 have the rights under this subdivision if they have used reasonable
 10 efforts to notify the other individuals who ~~have are of~~ the same
 11 degree of kinship of their intentions and are not aware of any
 12 opposition to the final disposition instructions by more than half
 13 of the individuals who ~~have are of~~ the same degree of kinship.
 14 (8) If none of the persons described in subdivisions (1) through
 15 (7) are available, any other person willing to act and arrange for
 16 the final disposition of the ~~decedent~~, **decedent's remains**,
 17 including a funeral home that:
 18 (A) has a valid prepaid funeral plan executed under IC 30-2-13
 19 that makes arrangements for the disposition of the ~~decedent~~;
 20 **decedent's remains**; and
 21 (B) attests in writing that a good faith effort has been made to
 22 contact any living individuals described in subdivisions (1)
 23 through (7).
 24 SECTION 202. IC 30-4-2.1-14, AS AMENDED BY P.L.36-2011,
 25 SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 26 UPON PASSAGE]: Sec. 14. (a) The following rules apply only to
 27 discretionary interests (as defined in ~~IC 30-4-2.1-14.5~~): **section 14.5 of**
 28 **this chapter**):
 29 (1) A discretionary interest is a mere expectancy that is neither a
 30 property interest nor an enforceable right.
 31 (2) A creditor may not:
 32 (A) require a trustee to exercise the trustee's discretion to make
 33 a distribution; or
 34 (B) cause a court to foreclose a discretionary interest.
 35 (3) A court may review a trustee's distribution discretion only if
 36 the trustee acts dishonestly or with an improper motive.
 37 (b) Words such as sole, absolute, uncontrolled, or unfettered
 38 discretion dispense with the trustee acting reasonably.
 39 (c) Absent express language to the contrary, if the distribution
 40 language in a discretionary interest permits unequal distributions
 41 between beneficiaries or distributions to the exclusion of other
 42 beneficiaries, a trustee may, in the trustee's discretion, distribute all of

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1 the accumulated, accrued, or undistributed income and principal to one
2 (1) beneficiary to the exclusion of the other beneficiaries.

3 (d) Regardless of whether a beneficiary has any outstanding
4 creditors, a trustee of a discretionary interest may directly pay any
5 expense on behalf of the beneficiary and may exhaust the income and
6 principal of the trust for the benefit of the beneficiary. A trustee is not
7 liable to a creditor for paying the expenses of a beneficiary who holds
8 a discretionary interest.

9 SECTION 203. IC 31-16-6-1.5, AS ADDED BY P.L.210-2011,
10 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
11 UPON PASSAGE]: Sec. 1.5. (a) A court shall specify in a child
12 support order which parent of a child may claim the child as a
13 dependent for purposes of federal and state taxes.

14 (b) In determining which parent may claim the child as a dependent
15 under subsection (a), the court shall consider the following:

16 (1) The value of claiming the child as a dependent at the marginal
17 tax rate of each parent.

18 (2) The income of each parent.

19 (3) The age of the child or children and the number of years that
20 the child or children could be claimed as a dependent or
21 dependents.

22 (4) Each parent's percentage of the costs of supporting the child
23 or children.

24 (5) If applicable, the financial aid benefit for postsecondary
25 education for the child or children.

26 (6) If applicable, the financial burden each parent assumed under
27 the property settlement in a dissolution proceeding.

28 (7) Any other relevant factors.

29 (c) If a court designates that the noncustodial parent of a child may
30 claim the child as a dependent for purposes of federal and state taxes,
31 the court shall order the custodial parent of the child to take all actions
32 necessary to release the custodial parent's claim to the exemption in the
33 manner required under Section 152(e) of the Internal Revenue Code.

34 (d) If a court determines that a parent who is ordered to pay child
35 support may claim the child as a dependent under subsection (a), the
36 court shall include in the order that the parent may only claim the child
37 as a dependent for federal and state tax purposes if the parent has paid
38 at least ninety-five percent (95%) of the parent's child support for the
39 calendar year for which the parent is ordered to claim the child as a
40 dependent by January 31 of the following year.

41 SECTION 204. IC 31-19-25-19, AS ADDED BY P.L.191-2011,
42 SECTION 52, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE

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1 UPON PASSAGE]: Sec. 19. (a) Except as provided in section 18.5 of
 2 this chapter and subject to section 21 of this chapter, upon a request
 3 described under section 18 of this chapter, a county office of family
 4 and children, a licensed child placing agency, or an attorney that
 5 contacts an adoptee may not disclose identifying information unless the
 6 adoptee:

7 (1) if the adoptee is at least twenty-one (21) years of age, gives
 8 written consent; or

9 (2) if the adoptee is less than twenty-one (21) years of age, has the
 10 written consent of the adoptee's adoptive parents;

11 to the release of identifying information by the county office of family
 12 and children, the licensed child placing agency, or the attorney.

13 (b) If:

14 (1) an adoptee who is at least twenty-one (21) years of age; or

15 (2) an adoptive parent of an adoptee who is less than twenty-one
 16 (21) years of age;

17 consents to the release of identifying information but does not provide
 18 the consent in writing, the county office of family and children, the
 19 licensed child placing agency, or the attorney may inform the birth
 20 parent regarding the fact that the adoptee or the adoptive parent has
 21 consented to the release of identifying information. The county office
 22 of family and children, the licensed child placing agency, or the
 23 attorney may inquire as to whether the adoptee or adoptive parent,
 24 whose consent is still needed before identifying information may be
 25 released, is interested in participating in the adoption registry under
 26 IC 31-19-18 through IC 31-19-24, this chapter, ~~or~~ **and** IC 31-19-25.5.

27 SECTION 205. IC 31-19-25.5-5, AS ADDED BY P.L.191-2011,
 28 SECTION 55, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 29 UPON PASSAGE]: Sec. 5. (a) This section applies to adoptions that
 30 are filed after December 31, 1993.

31 (b) Except as provided under subsections (d) and ~~(e)~~, **(f)**, the state
 32 registrar shall release the name and address of a pre-adoptive sibling
 33 to an adoptee who submits a written request under section 2 of this
 34 chapter if:

35 (1) the pre-adoptive sibling of the adoptee has submitted a written
 36 request under section 2 of this chapter; and

37 (2) a birth parent has not filed a written nonrelease form with the
 38 state registrar under IC 31-19-25.

39 (c) Except as provided under subsections (d) and ~~(e)~~, **(f)**, the state
 40 registrar shall release the name and address of an adoptee to a
 41 pre-adoptive sibling of the adoptee who submits a written request under
 42 section 2 of this chapter if:

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- 1 (1) the adoptee has submitted a written request under section 2 of
 2 this chapter; and
 3 (2) a birth parent has not filed a written nonrelease form with the
 4 state registrar under IC 31-19-25.
- 5 (d) Except as provided under subsection (g), the state registrar shall
 6 release information under this section if:
 7 (1) both the adoptee and pre-adoptive sibling of the adoptee have
 8 submitted requests under section 2 of this chapter; and
 9 (2) the adoptee or pre-adoptive sibling who requested information
 10 under section 2 of this chapter submits:
 11 (A) a death certificate;
 12 (B) an obituary; or
 13 (C) any other form of evidence approved by the state
 14 department of health;
 15 indicating that a birth parent is deceased to the state registrar for
 16 each birth parent who is named on the adoptee's original birth
 17 certificate.
- 18 (e) The state registrar shall search the death certificates in the state
 19 registrar's possession regarding a birth parent if:
 20 (1) an adoptee and a pre-adoptive sibling of the adoptee have
 21 submitted written requests to be in contact; and
 22 (2) a birth parent has filed a nonrelease form under IC 31-19-25.
- 23 (f) Except as provided under subsection (g), if, upon searching the
 24 death certificates under subsection (e), the state registrar finds that a
 25 birth parent is deceased, the state registrar shall:
 26 (1) inform the adoptee and pre-adoptive sibling of the death; and
 27 (2) release the information if additional consent is not required by
 28 this chapter.
- 29 (g) The state registrar may not release information under this section
 30 to an adoptee or pre-adoptive sibling if:
 31 (1) additional consent is required under this chapter; or
 32 (2) a nonrelease form submitted by a birth parent specifically
 33 states that the nonrelease form shall remain in effect after the
 34 birth parent's death.
- 35 (h) If the state registrar is prohibited from releasing the name and
 36 address of the pre-adoptive sibling under this section, the state registrar
 37 shall provide information on requesting the release of adoption
 38 information under IC 31-19-24 to the adoptee or pre-adoptive sibling.
- 39 SECTION 206. IC 31-25-2-2, AS ADDED BY P.L.145-2006,
 40 SECTION 271, IS AMENDED TO READ AS FOLLOWS
 41 [EFFECTIVE JULY 1, 2012]: Sec. 2. The director may employ
 42 necessary personnel to carry out the department's responsibilities

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1 subject to:

2 (1) the budget agency's approval under IC 4-12-1-13; and

3 (2) ~~IC 4-15-2~~; **IC 4-15-2.2**.

4 SECTION 207. IC 32-21-14-1, AS ADDED BY P.L.136-2011,
5 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
6 UPON PASSAGE]: Sec. 1. As used in this ~~section~~, **chapter**, "transfer"
7 means the transfer of an interest in real property located in Indiana by:

8 (1) sale;

9 (2) gift;

10 (3) conveyance;

11 (4) assignment;

12 (5) inheritance; or

13 (6) other means of transfer.

14 SECTION 208. IC 32-21-14-2, AS ADDED BY P.L.136-2011,
15 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
16 UPON PASSAGE]: Sec. 2. (a) As used in this ~~section~~, **chapter**,
17 "transfer fee" means a fee or charge that:

18 (1) is required under a transfer fee covenant; and

19 (2) is payable:

20 (A) upon the transfer of an interest in real property; or

21 (B) for the right to make or accept a transfer of an interest in
22 real property;

23 regardless of whether the fee or charge is in a fixed amount or is
24 determined as a percentage of the value of the property, of the purchase
25 price of the property, or of any consideration given for the transfer of
26 the property.

27 (b) The term does not include any of the following:

28 (1) Any consideration payable by the transferee to the transferor
29 for the interest in the real property being transferred, including
30 any consideration payable for a separate mineral estate and its
31 appurtenant surface access rights.

32 (2) Any commission to a real estate broker or salesperson licensed
33 under IC 25-34.1 payable:

34 (A) in connection with the transfer of an interest in real
35 property; and

36 (B) under an agreement between the real estate broker or
37 salesperson and the transferor or transferee.

38 (3) Any interest, charges, fees, or other amounts payable by a
39 borrower to a lender under a loan secured by a mortgage against
40 an interest in real property, including the following:

41 (A) Any fee payable to the lender for consenting to an
42 assumption of the loan or to a transfer of the property interest

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- 1 subject to the mortgage.
- 2 (B) Any fees or charges payable to the lender for estoppel
- 3 letters or certificates.
- 4 (C) Any other consideration allowed by law and payable to the
- 5 lender in connection with the loan.
- 6 (4) Any rent, reimbursement, charge, fee, or other amount payable
- 7 by a lessee to a lessor under a lease, including any fee payable to
- 8 the lessor for consenting to an assignment, subletting,
- 9 encumbrance, or transfer of the lease.
- 10 (5) Any consideration payable to the holder of:
- 11 (A) an option to purchase an interest in real property; or
- 12 (B) a right of first refusal or first offer to purchase an interest
- 13 in real property;
- 14 for waiving, releasing, or not exercising the option or right upon
- 15 the transfer of the property interest to another person.
- 16 (6) Any tax, fee, charge, assessment, fine, or other amount
- 17 payable to or imposed by a governmental entity.
- 18 (7) Any fee, charge, assessment, fine, or other amount payable to:
- 19 (A) a homeowners association;
- 20 (B) a condominium association;
- 21 (C) a cooperative association;
- 22 (D) a mobile home association;
- 23 (E) another property owners association; or
- 24 (F) an agent representing an association described in clauses
- 25 (A) through (E);
- 26 under a covenant, law, or contract applicable to the association.
- 27 SECTION 209. IC 32-23-2-6 IS ADDED TO THE INDIANA
- 28 CODE AS A NEW SECTION TO READ AS FOLLOWS
- 29 [EFFECTIVE UPON PASSAGE]: **Sec. 6. (a) This section applies to**
- 30 **the alienation, inheritance, or assignment of:**
- 31 **(1) an easement in gross of a commercial character that was**
- 32 **created before January 1, 1990; and**
- 33 **(2) an interest in an easement in gross of a commercial**
- 34 **character described in subdivision (1).**
- 35 **(b) This section applies to an easement in gross of a commercial**
- 36 **character that was acquired by eminent domain.**
- 37 **(c) Unless the instrument that created the easement states that**
- 38 **the easement may not be alienated, inherited, or assigned, the**
- 39 **alienation, inheritance, or assignment of an easement in gross of a**
- 40 **commercial character that occurred before April 1, 1990, is**
- 41 **legalized and declared valid.**
- 42 SECTION 210. IC 32-23-7-6.5, AS ADDED BY P.L.140-2011,

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1 SECTION 26, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
2 UPON PASSAGE]: Sec. 6.5. (a) This section does not apply in the
3 event of an emergency entry.

4 (b) Unless otherwise agreed by the surface owner, **a person who is**
5 an owner or holder of **an oil and gas mineral interest** or coal bed
6 methane mineral interest **and** who wants to enter land for the purpose
7 of surveying a drilling location must provide to the surface owner a
8 written notice of the **person's** intent to enter the property at least five
9 (5) days before the **person's** entry.

10 (c) The written notice under subsection (b) may be given by
11 personal delivery or by certified mail:

12 (1) to the last known address of each person **who is** liable for any
13 property taxes **on the property** as shown on the tax duplicate; or

14 (2) to the last known address of the most recent owner **of the**
15 **property** shown in the transfer book.

16 SECTION 211. IC 32-30-10.5-5, AS AMENDED BY P.L.89-2011,
17 SECTION 76, AND AS AMENDED BY P.L.170-2011, SECTION 7,
18 IS CORRECTED AND AMENDED TO READ AS FOLLOWS
19 [EFFECTIVE UPON PASSAGE]: Sec. 5. (a) As used in this chapter,
20 "mortgage" means:

21 (1) a loan; or

22 (2) a consumer credit sale;

23 that is or will be used by the debtor primarily for personal, family, or
24 household purposes and that is secured by a mortgage (or another
25 equivalent consensual security interest) that constitutes a first lien on
26 a dwelling or on residential real estate upon which a dwelling is
27 constructed or intended to be constructed.

28 (b) The term does not include a land contract (as defined in
29 IC 24-4.4-1-301(36)) or similar agreement in which the debtor does
30 not possess a deed.

31 SECTION 212. IC 32-30-10.5-8, AS AMENDED BY P.L.170-2011,
32 SECTION 8, AND AS AMENDED BY P.L.116-2011, SECTION 4, IS
33 CORRECTED AND AMENDED TO READ AS FOLLOWS
34 [EFFECTIVE UPON PASSAGE]: Sec. 8. (a) This section applies to a
35 foreclosure action that is filed after June 30, 2009. Except as provided
36 in subsection (e) and section 10(g) of this chapter, not later than thirty
37 (30) days before a creditor files an action for foreclosure, the creditor
38 shall send to the debtor by certified mail a presuit notice on a form
39 prescribed by the *Indiana housing and community development*
40 authority. ~~created by IC 5-20-1-3.~~ The notice required by this
41 subsection must do the following:

42 (1) Inform the debtor that:

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- 1 (A) the debtor is in default;
- 2 (B) the debtor is encouraged to obtain assistance from a
- 3 mortgage foreclosure counselor; and
- 4 (C) if the creditor proceeds to file a foreclosure action and
- 5 obtains a foreclosure judgment, the debtor has a right to do the
- 6 following before a sheriff's sale is conducted:
 - 7 (i) Appeal a finding of abandonment by a court under
 - 8 IC 32-29-7-3(a)(2).
 - 9 (ii) Redeem the real estate from the judgment under
 - 10 IC 32-29-7-7.
 - 11 (iii) Retain possession of the property under
 - 12 IC 32-29-7-11(b), subject to the conditions set forth in
 - 13 IC 32-29-7-11(b).
- 14 (2) Provide the contact information for the Indiana Foreclosure
- 15 Prevention Network.
- 16 (3) Include the following statement printed in at least 14 point
- 17 boldface type:
 - 18 "NOTICE REQUIRED BY STATE LAW
 - 19 Mortgage foreclosure is a complex process. People may
 - 20 approach you about "saving" your home. You should be
 - 21 careful about any such promises. There are government
 - 22 agencies and nonprofit organizations you may contact for
 - 23 helpful information about the foreclosure process. For the
 - 24 name and telephone number of an organization near you,
 - 25 please call the Indiana Foreclosure Prevention Network."
- 26 (b) The notice required by subsection (a) shall be sent to:
 - 27 (1) the address of the mortgaged property; or
 - 28 (2) the last known mailing address of the debtor if the creditor's
 - 29 records indicate that the mailing address of the debtor is other
 - 30 than the address of the mortgaged property.
- 31 If the creditor provides evidence that the notice required by subsection
- 32 (a) was sent by certified mail, return receipt requested, and ~~as~~
- 33 *prescribed by in accordance with* this subsection, it is not necessary
- 34 that the debtor accept receipt of the notice for an action to proceed as
- 35 allowed under this chapter.
- 36 (c) Except as provided in subsection (e) and section 10(g) of this
- 37 chapter, if a creditor files an action to foreclose a mortgage, the creditor
- 38 shall:
 - 39 (1) *in the case of a foreclosure action filed after June 30, 2009,*
 - 40 *but before July 1, 2011, include with the complaint served on the*
 - 41 *debtor, on a form prescribed by the authority; and*
 - 42 (2) *subject to subsection (f), in the case of a foreclosure action*

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1 filed after June 30, 2011, include on the first page of the
 2 summons that is served on the debtor in conjunction with the
 3 complaint;
 4 a notice that informs the debtor of the debtor's right to participate in a
 5 settlement conference, *subject to section 9(b) of this chapter. The*
 6 *notice must be in a form prescribed by the Indiana housing and*
 7 *community development authority created by IC 5-20-1-3. The notice*
 8 *under subdivision (1) or (2) must inform the debtor that the debtor may*
 9 *schedule a settlement conference by notifying the court, not later than*
 10 *thirty (30) days after the ~~notice~~ complaint is served on the debtor, of*
 11 *the debtor's intent to participate in a settlement conference.*
 12 (d) *In a foreclosure action filed under IC 32-30-10-3 after June 30,*
 13 *2009, If a creditor files an action to foreclose a mortgage, the creditor*
 14 *shall do the following:*
 15 (1) ~~attach to~~ *Include with the complaint filed with the court:*
 16 ~~(A)~~ **(A)** *except as provided in subsection (e) and section 10(g)*
 17 *of this chapter, a copy of the notices sent to the debtor under*
 18 *subsections (a) and (c), if the foreclosure action is filed after*
 19 *June 30, 2009, but before July 1, 2011; or*
 20 ~~(B)~~ **(B)** *the following, if the foreclosure action is filed after*
 21 *June 30, 2011:*
 22 ~~(A)~~ **(i)** *Except as provided in subsection (e) and section*
 23 *10(g) of this chapter, a copy of the notice sent to the debtor*
 24 *under subsection (a).*
 25 ~~(B)~~ **(ii)** *The following most recent contact information for*
 26 *the debtor that the creditor has on file: ~~(i)~~ all telephone*
 27 *numbers and electronic mail addresses for the debtor and*
 28 *~~(ii)~~ any mailing address described in subsection (b)(2). The*
 29 *contact information provided under this ~~clause~~ item is*
 30 *confidential under IC 5-14-3-4(a)(13).*
 31 (2) *At the time the complaint is filed with the court, send:*
 32 *(A) by certified mail, return receipt requested; and*
 33 *(B) to the last known mailing address of the insurance*
 34 *company;*
 35 *a copy of the complaint filed with the court to the insurance*
 36 *company of record for the property that is the subject of the*
 37 *foreclosure action.*
 38 *It is not necessary that the insurance company accept receipt of the*
 39 *copy of the complaint for the creditor to satisfy the requirement of*
 40 *subdivision (2). A creditor's failure to provide a copy of the complaint*
 41 *as required by subdivision (2) does not affect the foreclosure action or*
 42 *subject the creditor to any liability. Subject to section 9(b) of this*

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1 chapter, in the case of a foreclosure action filed after June 30, 2011,
 2 upon the filing of the complaint by the creditor, the court shall send to
 3 the debtor, by United States mail and to the address of the mortgaged
 4 property, or to an address for the debtor provided by the creditor
 5 under ~~subdivision (2)(B)(ii)~~; **subdivision (1)(B)(ii)**, if applicable, a
 6 notice that informs the debtor of the debtor's right to participate in a
 7 settlement conference. The court's notice must inform the debtor that
 8 the debtor may schedule a settlement conference by notifying the court
 9 of the debtor's intent to participate in a settlement conference. The
 10 court's notice must specify a date by which the debtor must request a
 11 settlement conference, which date must be the date that is thirty (30)
 12 days after the date of the creditor's service of the complaint on the
 13 debtor under subsection (c), as determined by the court from the
 14 service list included with the complaint filed with the court. The court
 15 may not delegate the duty to send the notice the court is required to
 16 provide under this subsection to the creditor or to any other person.

17 (e) A creditor is not required to send the notices described in this
 18 section if:

- 19 (1) the mortgage is secured by a dwelling that is not the debtor's
 20 primary residence;
- 21 (2) the mortgage has been the subject of a prior foreclosure
 22 prevention agreement under this chapter and the debtor has
 23 defaulted with respect to the terms of that foreclosure prevention
 24 agreement; or
- 25 (3) bankruptcy law prohibits the creditor from participating in a
 26 settlement conference under this chapter with respect to the
 27 mortgage.

28 (f) Not later than June 1, 2011, the authority, in consultation with
 29 the division of state court administration, shall prescribe language for
 30 the notice required under subsection (c)(2) to be included on the first
 31 page of the summons that is served on the debtor in a foreclosure
 32 action filed after June 30, 2011. The language must convey the same
 33 information as the form prescribed by the authority under subsection
 34 (c)(1) for foreclosure actions filed after June 30, 2009, but before July
 35 1, 2011. The authority shall make the language prescribed under this
 36 subsection available on the authority's Internet web site. A creditor
 37 complies with subsection (c)(2) in a foreclosure action filed after June
 38 30, 2011, if the creditor includes on the first page of the summons
 39 served on the debtor:

- 40 (1) the language that is prescribed by the authority under this
 41 subsection and made available on the authority's Internet web
 42 site; or



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1 (2) language that conveys the same information as the language
2 that is prescribed by the authority under this subsection and
3 made available on the authority's Internet web site.

4 SECTION 213. IC 33-33-49-13.5, AS ADDED BY P.L.220-2011,
5 SECTION 535, IS AMENDED TO READ AS FOLLOWS
6 [EFFECTIVE UPON PASSAGE]: Sec. 13.5. (a) The municipal court
7 judge:

8 (1) whose term expires December 31, 1997; and

9 (2) who is serving as a part-time judge on December 31, 1997;
10 is entitled to continue serving as a part-time judge of the Marion
11 superior court established under IC 33-5.1-2 (before its repeal, now
12 codified at IC 33-33-49-6). The municipal court judge whose term
13 expires December 31, 1997, and who is serving as a part-time judge on
14 that date is entitled to continue serving as a part-time judge of the
15 Marion superior court established under IC 33-5.1-2 (before its repeal,
16 now codified at IC 33-33-49-6) until midnight December 31, 2000.

17 (b) The following apply to the part-time judge described in
18 subsection (a):

19 (1) The judge may not practice criminal law in the Marion
20 superior court but may practice civil law in the Marion superior
21 court.

22 (2) The judge may convert to full-time status at any time.

23 **(3) The annual salary of the part-time judge shall be equal to**
24 **the sum of forty percent (40%) of the salary of a full-time**
25 **superior court judge. The salary of the part-time judge shall**
26 **be paid on a percentage basis from the same sources**
27 **providing the salary of a full-time superior court judge.**

28 (c) If the judge serving as part-time judge of the Marion superior
29 court stands for election in the general election held November 7, 2000,
30 and any subsequent election, and is elected as judge of the Marion
31 superior court, the judge may continue to serve as a part-time judge,
32 subject to the provisions of subsection (b).

33 (d) If it is determined in a judicial ethics action that the judge
34 serving as part-time judge of the Marion superior court may not engage
35 in the practice of civil law before the Marion superior court, the cases
36 in which the judge has entered an appearance or filed any pleadings
37 shall be transferred to the Marion circuit court for further proceedings.
38 The judge may continue to participate in the cases transferred to the
39 circuit court. Cases transferred to the circuit court under this subsection
40 have the same effect as if originally filed in or issued by the Marion
41 circuit court.

42 SECTION 214. IC 34-6-2-8.2 IS ADDED TO THE INDIANA



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1 CODE AS A NEW SECTION TO READ AS FOLLOWS
 2 [EFFECTIVE UPON PASSAGE]: **Sec. 8.2. "Agritourism activity",**
 3 **for the purposes of IC 34-31-9, has the meaning set forth in**
 4 **IC 34-31-9-2.**

5 SECTION 215. IC 34-6-2-8.3 IS ADDED TO THE INDIANA
 6 CODE AS A NEW SECTION TO READ AS FOLLOWS
 7 [EFFECTIVE UPON PASSAGE]: **Sec. 8.3. "Agritourism provider",**
 8 **for the purposes of IC 34-31-9, has the meaning set forth in**
 9 **IC 34-31-9-3.**

10 SECTION 216. IC 34-6-2-68.8 IS ADDED TO THE INDIANA
 11 CODE AS A NEW SECTION TO READ AS FOLLOWS
 12 [EFFECTIVE UPON PASSAGE]: **Sec. 68.8. "Inherent risks of**
 13 **agritourism activities", for the purposes of IC 34-31-9, has the**
 14 **meaning set forth in IC 34-31-9-4.**

15 SECTION 217. IC 34-6-2-72.2 IS ADDED TO THE INDIANA
 16 CODE AS A NEW SECTION TO READ AS FOLLOWS
 17 [EFFECTIVE UPON PASSAGE]: **Sec. 72.2. "Land", for the**
 18 **purposes of IC 34-31-9, has the meaning set forth in IC 34-31-9-5.**

19 SECTION 218. IC 34-6-2-83.8 IS ADDED TO THE INDIANA
 20 CODE AS A NEW SECTION TO READ AS FOLLOWS
 21 [EFFECTIVE UPON PASSAGE]: **Sec. 83.8. "Monetary**
 22 **consideration", for the purposes of IC 34-31-9, has the meaning set**
 23 **forth in IC 34-31-9-6.**

24 SECTION 219. IC 34-6-2-95 IS AMENDED TO READ AS
 25 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 95. (a)
 26 "Participant", for purposes of IC 34-31-5, means a person, whether an
 27 amateur or a professional, who engages in an equine activity, whether
 28 or not a fee is paid to participate in the equine activity.

29 **(b) "Participant", for purposes of IC 34-31-9, has the meaning**
 30 **set forth in 34-31-9-7.**

31 SECTION 220. IC 34-6-2-103, AS AMENDED BY P.L.154-2011,
 32 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 33 UPON PASSAGE]: Sec. 103. (a) "Person", for purposes of IC 34-14,
 34 has the meaning set forth in IC 34-14-1-13.

35 (b) "Person", for purposes of IC 34-11-2-11.5 and IC 34-24-4,
 36 means:

- 37 (1) an individual;
- 38 (2) a governmental entity;
- 39 (3) a corporation;
- 40 (4) a firm;
- 41 (5) a trust;
- 42 (6) a partnership; or



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- 1 (7) an incorporated or unincorporated association that exists
 2 under or is authorized by the laws of this state, another state, or a
 3 foreign country.
- 4 (c) "Person", for purposes of section 44.8 of this chapter, means an
 5 adult or a minor.
- 6 (d) "Person", for purposes of IC 34-26-4, has the meaning set forth
 7 in IC 35-41-1-22.
- 8 (e) "Person", for purposes of IC 34-30-5, means any of the
 9 following:
- 10 (1) An individual.
- 11 (2) A corporation.
- 12 (3) A partnership.
- 13 (4) An unincorporated association.
- 14 (5) The state (as defined in IC 34-6-2-140).
- 15 (6) A political subdivision (as defined in IC 34-6-2-110).
- 16 (7) Any other entity recognized by law.
- 17 (f) "Person", for purposes of IC 34-30-6, means an individual, a
 18 corporation, a limited liability company, a partnership, an
 19 unincorporated association, or a governmental entity that:
- 20 (1) has qualifications or experience in:
- 21 (A) storing, transporting, or handling a hazardous substance or
 22 compressed gas;
- 23 (B) fighting fires;
- 24 (C) emergency rescue; or
- 25 (D) first aid care; or
- 26 (2) is otherwise qualified to provide assistance appropriate to
 27 remedy or contribute to the remedy of the emergency.
- 28 (g) "Person", for purposes of IC 34-30-18, includes:
- 29 (1) an individual;
- 30 (2) an incorporated or unincorporated organization or association;
- 31 (3) the state of Indiana;
- 32 (4) a political subdivision (as defined in IC 36-1-2-13);
- 33 (5) an agency of the state or a political subdivision; or
- 34 (6) a group of such persons acting in concert.
- 35 (h) "Person", for purposes of sections 42, 43, 69, and 95 of this
 36 chapter, means an individual, an incorporated or unincorporated
 37 organization or association, or a group of such persons acting in
 38 concert.
- 39 (i) "Person", for purposes of IC 34-30-10.5, means the following:
- 40 (1) A political subdivision (as defined in IC 36-1-2-13).
- 41 (2) A volunteer fire department (as defined in IC 36-8-12-2).
- 42 (3) An employee of an entity described in subdivision (1) or (2)

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- 1 who acts within the scope of the employee's responsibilities.
- 2 (4) A volunteer firefighter (as defined in IC 36-8-12-2) who is
- 3 acting for a volunteer fire department.
- 4 (5) A corporation, a limited liability company, a partnership, an
- 5 unincorporated association, or any other entity recognized by law.
- 6 (j) "Person", for purposes of IC 34-28-7, means:
- 7 (1) an individual;
- 8 (2) a governmental entity;
- 9 (3) a corporation;
- 10 (4) a firm;
- 11 (5) a trust;
- 12 (6) a partnership; or
- 13 (7) an incorporated or unincorporated association that exists
- 14 under or is authorized by the laws of this state, another state, or a
- 15 foreign country.

16 **(k) "Person", for purposes of IC 34-31-9, has the meaning set**
 17 **forth in IC 34-31-9-8.**

18 SECTION 221. IC 34-11-2-10.5, AS ADDED BY P.L.43-2005,
 19 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 20 UPON PASSAGE]: Sec. 10.5. An action brought by a volunteer:

- 21 (1) firefighter; or
- 22 (2) member of a volunteer emergency medical services
- 23 association connected with a unit of government as set forth in
- 24 IC 16-31-5-1(6);

25 against the volunteer's political subdivision employer for being
 26 disciplined for being absent from employment while responding to an
 27 emergency must be commenced within one (1) year after the date of the
 28 disciplinary action, as provided in ~~IC 36-8-12-10.5(c)~~.
 29 **IC 36-8-12-10.5(g).**

30 SECTION 222. IC 34-30-2-14.6, AS ADDED BY P.L.113-2010,
 31 SECTION 105, IS REPEALED [EFFECTIVE UPON PASSAGE]. ~~Sec.~~
 32 ~~14.6. IC 5-14-3.5-3 (Concerning the state and state officials, officers,~~
 33 ~~and employees for posting certain confidential information):~~

34 SECTION 223. IC 35-36-10-2, AS ADDED BY P.L.148-2011,
 35 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 36 UPON PASSAGE]: Sec. 2. As used in this chapter, "child
 37 pornography" ~~include:~~ **includes:**

- 38 (1) material described in IC 35-42-4-4(c); and
- 39 (2) material defined in 18 U.S.C. 2256(8).

40 SECTION 224. IC 35-41-1-26.3, AS ADDED BY P.L.182-2011,
 41 SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 42 UPON PASSAGE]: Sec. 26.3. "Synthetic cannabinoid" means a

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- 1 substance containing one (1) or more of the following chemical
 2 compounds:
- 3 (1) JWH-015 ((2-Methyl-1-propyl-1H-
 4 indol-3-yl)-1-naphthalenylmethanone).
 5 (2) JWH-018 (1-pentyl-3-(1-naphthoyl)indole).
 6 (3) JWH-019 (1-hexyl-3-(naphthalen-1-oyl)indole).
 7 (4) JWH-073 (naphthalen-1-yl-(1-butylindol-3-yl)methanone).
 8 (5) JWH-081 (4-methoxynaphthalen-1-yl-(1-pentylindol-
 9 3-yl)methanone).
 10 (6) JWH-122 (1-Pentyl-3-(4-methyl-1-naphthoyl)indole).
 11 ~~(7) JWH-200 (1-(2-morpholin-4-ylethyl)indol-3-yl)-~~
 12 ~~naphthalen-1-ylmethanone).~~
 13 **(7) JWH-200 ((1-(2-morpholin-4-ylethyl)indol-3-yl)-**
 14 **naphthalen-1-ylmethanone).**
 15 (8) JWH-250 (1-pentyl-3-(2-methoxyphenylacetyl)indole).
 16 (9) JWH-251 (1-pentyl-3-(2-methylphenylacetyl)indole).
 17 (10) JWH-398 (1-pentyl-3-(4-chloro-1-naphthoyl)indole).
 18 (11) HU-210 ((6aR,10aR)-9-(Hydroxymethyl)-6,6-dimethyl-
 19 3-(2-methyloctan-2-yl)-6a,7,10,10a-tetrahydrobenzo[c]chromen-
 20 1-ol).
 21 (12) HU-211 ((6aS,10aS)-9-(Hydroxymethyl)-6,6-dimethyl-
 22 3-(2-methyloctan-2-yl)-6a,7,10,10a-tetrahydrobenzo
 23 [c]chromen-1-ol).
 24 (13) HU-308 ([1R,2R,5R)-2-[2,6-dimethoxy-4-(2-methyloctan-
 25 2-yl)phenyl]-7,7-dimethyl-4-bicyclo[3.1.1]hept-3-enyl]
 26 methanol).
 27 ~~(14) HU-331 ((3-hydroxy-2-[(1R,6R)-3-methyl-6-~~
 28 ~~(1-methylethenyl)-2-cyclohexen-1-yl]-5~~
 29 ~~-pentyl-2,5-cyclohexadiene-1,4-dione).~~
 30 **(14) HU-331 (3-hydroxy-2-[(1R,6R)-3-methyl-6-**
 31 **(1-methylethenyl)-2-cyclohexen-1-yl]-5**
 32 **-pentyl-2,5-cyclohexadiene-1,4-dione).**
 33 (15) CP 55,940 (2-[(1R,2R,5R)-5-hydroxy-2-(3-hydroxypropyl)
 34 cyclohexyl]-5-(2-methyloctan-2-yl)phenol).
 35 (16) CP 47,497 (2-[(1R,3S)-3-hydroxycyclohexyl]-5-
 36 (2-methyloctan-2-yl)phenol) and its homologues.
 37 (17) WIN 55212-2
 38 ((R)-(+)-[2,3-Dihydro-5-methyl-3-(4-morpholinylmethyl)pyrrolo
 39 [1,2,3-de)-1,4-benzoxazin-6-yl]-1-naphthalenylmethanone).
 40 (18) RCS-4 ((4-methoxyphenyl)
 41 (1-pentyl-1H-indol-3-yl)methanone).
 42 (19) RCS-8 (1-(1-(2-cyclohexylethyl)-1H-



1 indol-3-yl)-2-(2-methoxyphenyl)ethanone).
 2 (20) 4-Methylmethcathinone. Other name: mephedrone.
 3 (21) 3,4-Methylenedioxy methcathinone. Other name: methylone.
 4 (22) Fluoromethcathinone.
 5 (23) 4-Methoxymethcathinone. Other name: methedrone.
 6 (24) 4-Ethylmethcathinone (4-EMC).
 7 (25) Methylenedioxypropylone. Other name: MDPV.
 8 SECTION 225. IC 35-42-2-1.3, AS AMENDED BY P.L.129-2006,
 9 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 10 UPON PASSAGE]: Sec. 1.3. (a) A person who knowingly or
 11 intentionally touches an individual who:
 12 (1) is or was a spouse of the other person;
 13 (2) is or was living as if a spouse of the other person as provided
 14 in subsection (c); or
 15 (3) has a child in common with the other person;
 16 in a rude, insolent, or angry manner that results in bodily injury to the
 17 person described in subdivision (1), (2), or (3) commits domestic
 18 battery, a Class A misdemeanor.
 19 (b) However, the offense under subsection (a) is a Class D felony if
 20 the person who committed the offense:
 21 (1) has a previous, unrelated conviction:
 22 (A) under this section (or IC 35-42-2-1(a)(2)(E) before its
 23 repeat); **that provision was removed by P.L.188-1999,**
 24 **SECTION 5);** or
 25 (B) in any other jurisdiction, including a military court, in
 26 which the elements of the crime for which the conviction was
 27 entered are substantially similar to the elements described in
 28 this section; or
 29 (2) committed the offense in the physical presence of a child less
 30 than sixteen (16) years of age, knowing that the child was present
 31 and might be able to see or hear the offense.
 32 (c) In considering whether a person is or was living as a spouse of
 33 another individual **in for purposes of** subsection (a)(2), the court shall
 34 review: ~~the following:~~
 35 (1) the duration of the relationship;
 36 (2) the frequency of contact;
 37 (3) the financial interdependence;
 38 (4) whether the two (2) individuals are raising children together;
 39 (5) whether the two (2) individuals have engaged in tasks directed
 40 toward maintaining a common household; and
 41 (6) other factors the court considers relevant.
 42 SECTION 226. IC 35-42-4-4, AS AMENDED BY P.L.180-2011,

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1 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 2 UPON PASSAGE]: Sec. 4. (a) ~~As used in~~ **The following definitions**
 3 **apply throughout** this section:

4 (1) "Disseminate" means to transfer possession for free or for a
 5 consideration.

6 (2) "Matter" has the same meaning as in IC 35-49-1-3.

7 (3) "Performance" has the same meaning as in IC 35-49-1-7.

8 (4) "Sexual conduct" means sexual intercourse, deviate sexual
 9 conduct, exhibition of the uncovered genitals intended to satisfy
 10 or arouse the sexual desires of any person, sadomasochistic abuse,
 11 sexual intercourse or deviate sexual conduct with an animal, or
 12 any fondling or touching of a child by another person or of
 13 another person by a child intended to arouse or satisfy the sexual
 14 desires of either the child or the other person.

15 (b) A person who knowingly or intentionally:

16 (1) manages, produces, sponsors, presents, exhibits, photographs,
 17 films, videotapes, or creates a digitized image of any performance
 18 or incident that includes sexual conduct by a child under eighteen
 19 (18) years of age;

20 (2) disseminates, exhibits to another person, offers to disseminate
 21 or exhibit to another person, or sends or brings into Indiana for
 22 dissemination or exhibition matter that depicts or describes sexual
 23 conduct by a child under eighteen (18) years of age; or

24 (3) makes available to another person a computer, knowing that
 25 the computer's fixed drive or peripheral device contains matter
 26 that depicts or describes sexual conduct by a child less than
 27 eighteen (18) years of age;

28 commits child exploitation, a Class C felony.

29 (c) A person who knowingly or intentionally possesses:

- 30 (1) a picture;
- 31 (2) a drawing;
- 32 (3) a photograph;
- 33 (4) a negative image;
- 34 (5) undeveloped film;
- 35 (6) a motion picture;
- 36 (7) a videotape;
- 37 (8) a digitized image; or
- 38 (9) any pictorial representation;

39 that depicts or describes sexual conduct by a child who the person
 40 knows is less than sixteen (16) years of age or who appears to be less
 41 than sixteen (16) years of age, and that lacks serious literary, artistic,
 42 political, or scientific value commits possession of child pornography,

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- 1 a Class D felony.
- 2 (d) Subsections (b) and (c) do not apply to a bona fide school,
3 museum, or public library that qualifies for certain property tax
4 exemptions under IC 6-1.1-10, or to an employee of such a school,
5 museum, or public library acting within the scope of the employee's
6 employment when the possession of the listed materials is for
7 legitimate scientific or educational purposes.
- 8 (e) It is a defense to a prosecution under this section that:
- 9 (1) the person is a school employee; and
10 (2) the acts constituting the elements of the offense were
11 performed solely within the scope of the person's employment as
12 a school employee.
- 13 (f) Except as provided in subsection (g), it is a defense to a
14 prosecution under ~~subsections~~ **subsection** (b)(1), **subsection** (b)(2),
15 **and or subsection** (c) if all of the following apply:
- 16 (1) A cellular telephone, another wireless or cellular
17 communications device, or a social networking web site was used
18 to possess, produce, or disseminate the image.
- 19 (2) The defendant is not more than four (4) years older or younger
20 than the person who is depicted in the image or who received the
21 image.
- 22 (3) The relationship between the defendant and the person who
23 received the image or who is depicted in the image was a dating
24 relationship or an ongoing personal relationship. For purposes of
25 this subdivision, the term "ongoing personal relationship" does
26 not include a family relationship.
- 27 (4) The crime was committed by a person less than twenty-two
28 (22) years of age.
- 29 (5) The person receiving the image or who is depicted in the
30 image acquiesced in the defendant's conduct.
- 31 (g) The defense to a prosecution described in subsection (f) does not
32 apply if:
- 33 (1) the person who receives the image disseminates it to a person
34 other than the person:
- 35 (A) who sent the image; or
36 (B) who is depicted in the image;
- 37 (2) the image is of a person other than the person who sent the
38 image or received the image; or
39 (3) the dissemination of the image violates:
- 40 (A) a protective order to prevent domestic or family violence
41 issued under IC 34-26-5 (or, if the order involved a family or
42 household member, under IC 34-26-2 or IC 34-4-5.1-5 before

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- 1 their repeal);
- 2 (B) an ex parte protective order issued under IC 34-26-5 (or,
- 3 if the order involved a family or household member, an
- 4 emergency order issued under IC 34-26-2 or IC 34-4-5.1
- 5 before their repeal);
- 6 (C) a workplace violence restraining order issued under
- 7 IC 34-26-6;
- 8 (D) a no contact order in a dispositional decree issued under
- 9 IC 31-34-20-1, IC 31-37-19-1, or IC 31-37-5-6 (or
- 10 IC 31-6-4-15.4 or IC 31-6-4-15.9 before their repeal) or an
- 11 order issued under IC 31-32-13 (or IC 31-6-7-14 before its
- 12 repeal) that orders the person to refrain from direct or indirect
- 13 contact with a child in need of services or a delinquent child;
- 14 (E) a no contact order issued as a condition of pretrial release,
- 15 including release on bail or personal recognizance, or pretrial
- 16 diversion, and including a no contact order issued under
- 17 IC 35-33-8-3.6;
- 18 (F) a no contact order issued as a condition of probation;
- 19 (G) a protective order to prevent domestic or family violence
- 20 issued under IC 31-15-5 (or IC 31-16-5 or IC 31-1-11.5-8.2
- 21 before their repeal);
- 22 (H) a protective order to prevent domestic or family violence
- 23 issued under IC 31-14-16-1 in a paternity action;
- 24 (I) a no contact order issued under IC 31-34-25 in a child in
- 25 need of services proceeding or under IC 31-37-25 in a juvenile
- 26 delinquency proceeding;
- 27 (J) an order issued in another state that is substantially similar
- 28 to an order described in clauses (A) through (I);
- 29 (K) an order that is substantially similar to an order described
- 30 in clauses (A) through (I) and is issued by an Indian:
- 31 (i) tribe;
- 32 (ii) band;
- 33 (iii) pueblo;
- 34 (iv) nation; or
- 35 (v) organized group or community, including an Alaska
- 36 Native village or regional or village corporation as defined
- 37 in or established under the Alaska Native Claims Settlement
- 38 Act (43 U.S.C. 1601 et seq.);
- 39 that is recognized as eligible for the special programs and
- 40 services provided by the United States to Indians because of
- 41 their special status as Indians;
- 42 (L) an order issued under IC 35-33-8-3.2; or

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- 1 (M) an order issued under IC 35-38-1-30.
- 2 SECTION 227. IC 35-46-1-4, AS AMENDED BY P.L.109-2007,
3 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
4 UPON PASSAGE]: Sec. 4. (a) A person having the care of a
5 dependent, whether assumed voluntarily or because of a legal
6 obligation, who knowingly or intentionally:
- 7 (1) places the dependent in a situation that endangers the
8 dependent's life or health;
- 9 (2) abandons or cruelly confines the dependent;
- 10 (3) deprives the dependent of necessary support; or
- 11 (4) deprives the dependent of education as required by law;
- 12 commits neglect of a dependent, a Class D felony.
- 13 (b) However, the offense is:
- 14 (1) a Class C felony if it is committed under subsection (a)(1),
15 (a)(2), or (a)(3) and:
- 16 (A) results in bodily injury; or
- 17 (B) is:
- 18 (i) committed in a location where a person is violating
19 IC 35-48-4-1 (delivery, financing, or manufacture of
20 cocaine, methamphetamine, or a narcotic drug); or
- 21 (ii) the result of a violation of IC 35-48-4-1 (delivery,
22 financing, or manufacture of cocaine, methamphetamine, or
23 a narcotic drug);
- 24 (2) a Class B felony if it is committed under subsection (a)(1),
25 (a)(2), or (a)(3) and results in serious bodily injury;
- 26 (3) a Class A felony if it is committed under subsection (a)(1),
27 (a)(2), or (a)(3) by a person at least eighteen (18) years of age and
28 results in the death of a dependent who is less than fourteen (14)
29 years of age; and
- 30 (4) a Class C felony if it is committed under subsection (a)(2) and
31 consists of cruel confinement or abandonment that:
- 32 (A) deprives a dependent of necessary food, water, or sanitary
33 facilities;
- 34 (B) consists of confinement in an area not intended for human
35 habitation; or
- 36 (C) involves the unlawful use of handcuffs, a rope, a cord,
37 tape, or a similar device to physically restrain a dependent.
- 38 (c) It is a defense to a prosecution based on an alleged act under this
39 section that:
- 40 (1) the accused person left a dependent child who was, at the time
41 the alleged act occurred, not more than thirty (30) days of age
42 with an emergency medical provider who took custody of the

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1 child under IC 31-34-2.5 when:
 2 (A) the prosecution is based solely on the alleged act of
 3 leaving the child with the emergency medical services
 4 provider; and
 5 (B) the alleged act did not result in bodily injury or serious
 6 bodily injury to the child; or
 7 (2) the accused person, in the legitimate practice of the accused
 8 person's religious belief, provided treatment by spiritual means
 9 through prayer, in lieu of medical care, to the accused person's
 10 dependent.
 11 (d) Except for property transferred or received:
 12 (1) under a court order made in connection with a proceeding
 13 under IC 31-15, IC 31-16, IC 31-17, or IC 31-35 (or IC 31-1-11.5
 14 or IC 31-6-5 before their repeal); or
 15 (2) under ~~IC 35-46-1-9(b)~~; **section 9(b) of this chapter**;
 16 a person who transfers or receives any property in consideration for the
 17 termination of the care, custody, or control of a person's dependent
 18 child commits child selling, a Class D felony.
 19 SECTION 228. IC 35-46-3-8.5 IS AMENDED TO READ AS
 20 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 8.5. A person who
 21 knowingly or intentionally possesses animal fighting paraphernalia
 22 with the intent to commit a violation of ~~IC 35-46-3-9~~ **section 9 of this**
 23 **chapter** commits possession of animal fighting paraphernalia, a Class
 24 B misdemeanor. However, the offense is a Class A misdemeanor if the
 25 person has a prior unrelated conviction under this section.
 26 SECTION 229. IC 35-46-3-9.5 IS AMENDED TO READ AS
 27 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 9.5. A person who
 28 knowingly or intentionally:
 29 (1) possesses animal fighting paraphernalia with the intent to
 30 commit a violation of ~~IC 35-46-3-9~~; **section 9 of this chapter**;
 31 and
 32 (2) possesses, harbors, or trains a dog, cock, fowl, or bird bearing:
 33 (A) a scar;
 34 (B) a wound; or
 35 (C) an injury;
 36 consistent with participation in or training for an animal fighting
 37 contest;
 38 commits promoting an animal fighting contest, a Class D felony.
 39 SECTION 230. IC 35-47-1-1 IS AMENDED TO READ AS
 40 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. **Except as**
 41 **otherwise provided**, the definitions in this chapter apply throughout
 42 this article.

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1 SECTION 231. IC 35-47-2-1, AS AMENDED BY P.L.164-2011,
 2 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 3 UPON PASSAGE]: Sec. 1. (a) Except as provided in subsections (b)
 4 and (c) and section 2 of this chapter, a person shall not carry a handgun
 5 in any vehicle or on or about the person's body without being licensed
 6 under this chapter to carry a handgun.

7 (b) Except as provided in subsection (c), a person may carry a
 8 handgun without being licensed under this chapter to carry a handgun
 9 if:

10 (1) the person carries the handgun on or about the person's body
 11 in or on property that is owned, leased, rented, or otherwise
 12 legally controlled by the person;

13 (2) the person carries the handgun on or about the person's body
 14 while lawfully present in or on property that is owned, leased,
 15 rented, or otherwise legally controlled by another person, if the
 16 person:

17 (A) has the consent of the owner, renter, lessor, or person who
 18 legally controls the property to have the handgun on the
 19 premises;

20 (B) is attending a firearms related event on the property,
 21 including a gun show, firearms expo, gun owner's club or
 22 convention, hunting club, shooting club, or training course; or

23 (C) ~~the person~~ is on the property to receive firearms related
 24 services, including the repair, maintenance, or modification of
 25 a firearm;

26 (3) the person carries the handgun in a vehicle that is owned,
 27 leased, rented, or otherwise legally controlled by the person, if the
 28 handgun is:

29 (A) unloaded;

30 (B) not readily accessible; and

31 (C) secured in a case;

32 (4) the person carries the handgun while lawfully present in a
 33 vehicle that is owned, leased, rented, or otherwise legally
 34 controlled by another person, if the handgun is:

35 (A) unloaded;

36 (B) not readily accessible; and

37 (C) secured in a case; or

38 (5) the person carries the handgun:

39 (A) at a shooting range (as defined in IC 14-22-31.5-3);

40 (B) while attending a firearms instructional course; or

41 (C) while engaged in a legal hunting activity.

42 (c) Unless the person's right to possess a firearm has been restored

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1 under IC 35-47-4-7, a person who has been convicted of domestic
2 battery under IC 35-42-2-1.3 may not possess or carry a handgun.

3 (d) This section may be not construed:

4 (1) to prohibit a person who owns, leases, rents, or otherwise
5 legally controls private property from regulating or prohibiting the
6 possession of firearms on the private property;

7 (2) to allow a person to adopt or enforce an ordinance, resolution,
8 policy, or rule that:

9 (A) prohibits; or

10 (B) has the effect of prohibiting;

11 an employee of the person from possessing a firearm or
12 ammunition that is locked in the trunk of the employee's vehicle,
13 kept in the glove compartment of the employee's locked vehicle,
14 or stored out of plain sight in the employee's locked vehicle,
15 unless the person's adoption or enforcement of the ordinance,
16 resolution, policy, or rule is allowed under IC 34-28-7-2(b); or

17 (3) to allow a person to adopt or enforce a law, statute, ordinance,
18 resolution, policy, or rule that allows a person to possess or
19 transport a firearm or ammunition if the person is prohibited from
20 possessing or transporting the firearm or ammunition by state or
21 federal law.

22 SECTION 232. IC 35-47-11.1-4, AS ADDED BY P.L.152-2011,
23 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
24 UPON PASSAGE]: Sec. 4. This chapter may not be construed to
25 prevent any of the following:

26 (1) A law enforcement agency of a political subdivision from
27 enacting and enforcing regulations pertaining to firearms,
28 ammunition, or firearm accessories issued to or used by law
29 enforcement officers in the course of their official duties.

30 (2) Subject to IC 34-28-7-2, an employer from regulating or
31 prohibiting the employees of the employer from carrying firearms
32 and ammunition in the course of the employee's official duties.

33 (3) A court or administrative law judge from hearing and
34 resolving any case or controversy or issuing any opinion or order
35 on a matter within the jurisdiction of the court or judge.

36 (4) The enactment or enforcement of generally applicable zoning
37 or business ordinances that apply to firearms businesses to the
38 same degree as other similar businesses. However, a provision of
39 an ordinance that is designed or enforced to effectively restrict or
40 prohibit the sale, purchase, transfer, manufacture, or display of
41 firearms, ammunition, or firearm accessories that is otherwise
42 lawful under the laws of this state is void. A unit (as defined in

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- 1 IC 36-1-2-23) may not use the unit's planning and zoning powers
 2 under IC 36-7-4 to prohibit the sale of firearms within a
 3 prescribed distance of any other type of commercial property or
 4 of school property or other educational property.
- 5 (5) The enactment or enforcement of a provision prohibiting or
 6 restricting the possession of a firearm in any building that
 7 contains the courtroom of a circuit, superior, city, town, or small
 8 claims court. However, if a portion of the building is occupied by
 9 a residential tenant or private business, any provision restricting
 10 or prohibiting the possession of a firearm does not apply to the
 11 portion of the building that is occupied by the residential tenant
 12 or private business, or to common areas of the building used by
 13 a residential tenant or private business.
- 14 (6) The enactment or enforcement of a provision prohibiting or
 15 restricting the intentional display of a firearm at a public meeting.
- 16 (7) The enactment or enforcement of a provision prohibiting or
 17 restricting the possession of a firearm in a public hospital
 18 corporation that contains a secure correctional health unit that is
 19 staffed by a law enforcement officer twenty-four (24) hours a day.
- 20 (8) The imposition of any restriction or condition placed on a
 21 person participating in:
- 22 (A) a community corrections program (IC 11-12-1);
 23 (B) a forensic diversion program (IC 11-12-3.7); or
 24 (C) a pretrial diversion program (IC 33-39-1).
- 25 (9) The enforcement or prosecution of the offense of criminal
 26 recklessness (IC 35-42-2-2) involving the use of a firearm.
- 27 (10) For an event occurring on property leased from a political
 28 subdivision or municipal corporation by the promoter or organizer
 29 of the event:
- 30 (A) the establishment, by the promoter or organizer, at the
 31 promoter's or organizer's own discretion, of rules of conduct or
 32 admission upon which attendance at or participation in the
 33 event is conditioned; or
 34 (B) the implementation or enforcement of the rules of conduct
 35 or admission described in clause (A) by a political subdivision
 36 or municipal corporation in connection with the event.
- 37 (11) The enactment or enforcement of a provision prohibiting or
 38 restricting the possession of a firearm in a hospital established
 39 and operated under IC 16-22-2 or IC 16-23.
- 40 (12) A unit from using the unit's **planning** and zoning
 41 powers under IC 36-7-4 to prohibit the sale of firearms within two
 42 hundred (200) feet of a school by a person having a business that

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1 did not sell firearms within two hundred (200) feet of a school
2 before April 1, 1994.

3 (13) A unit (as defined in IC 36-1-2-23) from enacting or
4 enforcing a provision prohibiting or restricting the possession of
5 a firearm in a building owned or administered by the unit if:

6 (A) metal detection devices are located at each public entrance
7 to the building;

8 (B) each public entrance to the building is staffed by at least
9 one (1) law enforcement officer:

10 (i) who has been adequately trained to conduct inspections
11 of persons entering the building by use of metal detection
12 devices and proper physical pat down searches; and

13 (ii) when the building is open to the public; and

14 (C) each:

15 (i) individual who enters the building through the public
16 entrance when the building is open to the public; and

17 (ii) bag, package, and other container carried by the
18 individual;

19 is inspected by a law enforcement officer described in clause
20 (B).

21 However, except as provided in subdivision (5) concerning a
22 building that contains a courtroom, a unit may not prohibit or
23 restrict the possession of a handgun under this subdivision in a
24 building owned or administered by the unit if the person who
25 possesses the handgun has been issued a valid license to carry the
26 handgun under IC 35-47-2.

27 SECTION 233. IC 35-48-2-4, AS AMENDED BY P.L.182-2011,
28 SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
29 UPON PASSAGE]: Sec. 4. (a) The controlled substances listed in this
30 section are included in schedule I.

31 (b) Opiates. Any of the following opiates, including their isomers,
32 esters, ethers, salts, and salts of isomers, esters, and ethers, unless
33 specifically excepted by rule of the board or unless listed in another
34 schedule, whenever the existence of these isomers, esters, ethers, and
35 salts is possible within the specific chemical designation:

36 Acetyl-alpha-methylfentanyl (N-[1-(1-methyl-2-phenethyl)-4-
37 piperidinyl]-N-phenylacetamide) (9815)

38 Acetylmethadol (9601)

39 Allylprodine (9602)

40 Alpha-methylthiofentanyl (N-[1-methyl-2-(2-
41 thienyl)ethyl-4-piperidinyl]-N-phenylpropanamide) (9832)

42 Alphacetylmethadol (9603)

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1	Alphameprodine (9604)
2	Alphamethadol (9605)
3	Alphamethylfentanyl (9814)
4	Benzethidine (9606)
5	Beta-hydroxy-3-methylfentanyl (9831). Other name:
6	N-[1-(2-hydroxy-2-phenethyl)-3-methyl-4-piperidinyl
7]-N-phenylpropanamide
8	Beta-hydroxyfentanyl (N-[1-(2-hydroxy-2-
9	phenethyl)-4-piperidinyl]-N-phenylpropanamide) (9830)
10	Betacetylmethadol (9607)
11	Betameprodine (9608)
12	Betamethadol (9609)
13	Betaprodine (9611)
14	Clonitazene (9612)
15	Dextromoramide (9613)
16	Diampromide (9615)
17	Diethylthiambutene (9616)
18	Difenoxin (9168)
19	Dimenoxadol (9617)
20	Dimepheptanol (9618)
21	Dimethylthiambutene (9619)
22	Dioxaphetyl butyrate (9621)
23	Dipipanone (9622)
24	Ethylmethylthiambutene (9623)
25	Etonitazene (9624)
26	Etoxidine (9625)
27	Furethidine (9626)
28	Hydroxypethidine (9627)
29	Ketobemidone (9628)
30	Levomoramide (9629)
31	Levophenacymorphan (9631)
32	3-Methylfentanyl [N-[3-methyl-1-(2-phenylethyl)-4-
33	piperidyl]-N-phenyl-propanimide](9813)
34	3-Methylthiofentanyl (N-[(3-methyl-1-(2-thienyl)ethyl-4-
35	piperidinyl]-N-phenylpropanamide) (9833)
36	MPPP (1-methyl-4-phenyl-4-propionoxypiperidine) (9961)
37	Morpheridine (9632)
38	N-[1-benzyl-4-piperidyl]-N-phenylpropanamide (benzylfentanyl),
39	including any isomers, salts, or salts of isomers (9818)
40	N-[1-(2-thienyl)methyl-4-piperidyl]-N-phenylpropanamide
41	(thienylfentanyl), including any isomers, salts, or salts of isomers
42	(9834)

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- 1 Noracymethadol (9633)
- 2 Norlevorphanol (9634)
- 3 Normethadone (9635)
- 4 Norpipanone (9636)
- 5 Para-fluorofentanyl (N-(4-fluorophenyl)-N-
- 6 [1-(2-phenethyl)-4-piperidinyl] propanamide (9812)
- 7 Phenadoxone (9637)
- 8 Phenampromide (9638)
- 9 Phenomorphan (9647)
- 10 Phenoperidine (9641)
- 11 PEPAP [1-(2-phenethyl)-4-phenyl-4-acetoxypiperidine] (9663)
- 12 Piritramide (9642)
- 13 Proheptazine (9643)
- 14 Properidine (9644)
- 15 Propiram (9649)
- 16 Racemoramide (9645)
- 17 Thiofentanyl (N-phenyl-N-[1-(2-thienyl)ethyl-4-
- 18 piperidinyl]-propanamide) (9835)
- 19 Tilidine (9750)
- 20 Trimeperidine (9646)
- 21 (c) Opium derivatives. Any of the following opium derivatives, their
- 22 salts, isomers, and salts of isomers, unless specifically excepted by rule
- 23 of the board or unless listed in another schedule, whenever the
- 24 existence of these salts, isomers, and salts of isomers is possible within
- 25 the specific chemical designation:
- 26 Acetorphine (9319)
- 27 Acetyldihydrocodeine (9051)
- 28 Benzylmorphine (9052)
- 29 Codeine methylbromide (9070)
- 30 Codeine-N-Oxide (9053)
- 31 Cyprenorphine (9054)
- 32 Desomorphine (9055)
- 33 Dihydromorphine (9145)
- 34 Drotebanol (9335)
- 35 Etorphine (except hydrochloride salt) (9056)
- 36 Heroin (9200)
- 37 Hydromorphanol (9301)
- 38 Methyl-desorphine (9302)
- 39 Methyl-dihydromorphine (9304)
- 40 Morphine methylbromide (9305)
- 41 Morphine methylsulfonate (9306)
- 42 Morphine-N-Oxide (9307)

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- 1 Myrophine (9308)
 2 Nicocodeine (9309)
 3 Nicomorphine (9312)
 4 Normorphine (9313)
 5 Pholcodine (9314)
 6 Thebacon (9315)
 7 (d) Hallucinogenic substances. Any material, compound, mixture,
 8 or preparation which contains any quantity of the following
 9 hallucinogenic, psychedelic, or psychogenic substances, their salts,
 10 isomers, and salts of isomers, unless specifically excepted by rule of
 11 the board or unless listed in another schedule, whenever the existence
 12 of these salts, isomers, and salts of isomers is possible within the
 13 specific chemical designation:
 14 (1) 1-[1-(2-thienyl)cyclohexyl]pyrrolidine (7473). Other name:
 15 TCPy.
 16 (2) 4-Bromo-2, 5-Dimethoxyamphetamine (7391). Some trade or
 17 other names: 4-Bromo-2, 5-Dimethoxy-a-methylphenethylamine;
 18 4-Bromo-2, 5-DMA.
 19 (3) 4-Bromo-2, 5-dimethoxyphenethylamine (7392). Some trade or
 20 other names:
 21 2-[4-bromo-2,5-dimethoxyphenyl]-1-aminoethane;
 22 alpha-desmethyl DOB; 2C-B, Nexus.
 23 (4) 2, 5-Dimethoxy-4-ethylamphet-amine (7399). Other name:
 24 DOET.
 25 (5) 2, 5-Dimethoxy-4-(n)-propylthiophenethylamine (7348).
 26 Other name: 2C-T-7.
 27 (6) 2, 5-Dimethoxyamphetamine (7396). Some trade or other
 28 names: 2, 5-Dimethoxy-a-methylphenethylamine; 2, 5-DMA.
 29 (7) 4-Methoxyamphetamine (7411). Some trade or other names:
 30 4-Methoxy-a-methylphenethylamine; Paramethoxyamphetamine;
 31 PMA.
 32 (8) 5-Methoxy-3, 4-methylenedioxy amphetamine (7401). Other
 33 Name: MMDA.
 34 (9) 5-Methoxy-N, N-diisopropyltryptamine, including any
 35 isomers, salts, or salts of isomers (7439). Other name:
 36 5-MeO-DIPT.
 37 (10) 4-methyl-2, 5-dimethoxyamphetamine (7395). Some trade
 38 a n d o t h e r n a m e s : 4 - m e t h y l - 2 ,
 39 5-dimethoxy-a-methylphenethylamine; DOM; and STP.
 40 (11) 3, 4-methylenedioxy amphetamine (7400). Other name:
 41 MDA.
 42 (12) 3,4-methylenedioxy-N-ethylamphetamine (7404). Other



- 1 names: N-ethyl-alpha-methyl-3,4(methylenedioxy)
 2 phenethylamine; N-ethyl MDA; MDE; and MDEA.
 3 (13) 3, 4-methylenedioxyamphetamine (MDMA) (7405).
 4 (14) 3, 4, 5-trimethoxy amphetamine (7390). Other name: TMA.
 5 (15) Alpha-ethyltryptamine (7249). Some trade and other names:
 6 Etryptamine; Monase; [alpha]-ethyl-1H-indole-3-ethanamine;
 7 3-(2-aminobutyl) indole; [alpha]-ET; and AET.
 8 (16) Alpha-methyltryptamine (7432). Other name: AMT.
 9 (17) Bufotenine (7433). Some trade and other names:
 10 3-(B-Dimethylaminoethyl)-5-hydroxyindole;
 11 3-(2-dimethylaminonethyl)-5-indolol; N, N-dimethylserotonin;
 12 5-hydroxy-N, N-dimethyltryptamine; mappine.
 13 (18) Diethyltryptamine (7434). Some trade or other names: N,
 14 N-Diethyltryptamine; DET.
 15 (19) Dimethyltryptamine (7435). Some trade or other names:
 16 DMT.
 17 (20) Ibogaine (7260). Some trade and other names: 7-Ethyl-6, 6b,
 18 7, 8, 9, 10, 12, 13-octahydro-2-methoxy-6, 9-methano-5H-pyrido
 19 (1', 2': 1, 2, azepino 4, 5-b) indole; tabernanthe iboga.
 20 (21) Lysergic acid diethylamide (7315). Other name: LSD.
 21 (22) Marijuana (7360).
 22 (23) Mescaline (7381).
 23 (24) Parahexyl (7374). Some trade or other names:
 24 3-Hexyl-1-hydroxy-7, 8, 9, 10-Tetrahydro-6, 6,
 25 9-trimethyl-6H-dibenzo (b,d) pyran; Snyhexyl.
 26 (25) Peyote (7415), including:
 27 (A) all parts of the plant that are classified botanically as
 28 lophophora williamsii lemaire, whether growing or not;
 29 (B) the seeds thereof;
 30 (C) any extract from any part of the plant; and
 31 (D) every compound, manufacture, salt, derivative, mixture, or
 32 preparation of the plant, its seeds, or extracts.
 33 (26) N-ethyl-3-piperidyl benzilate (7482). Other name: DMZ.
 34 (27) N-hydroxy-3,4-methylenedioxyamphetamine (7402). Other
 35 n a m e s : N - h y d r o x y - a l p h a - m e t h y l - 3 , 4
 36 (methylenedioxy)phenethylamine; and N-hydroxy MDA.
 37 (28) N-methyl-3-piperidyl benzilate (7484). Other name: LBJ.
 38 (29) Psilocybin (7437).
 39 (30) Psilocyn (7438).
 40 (31) Tetrahydrocannabinols (7370), including synthetic
 41 equivalents of the substances contained in the plant, or in the
 42 resinous extractives of Cannabis, sp. and synthetic substances,

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1 derivatives, and their isomers with similar chemical structure and
2 pharmacological activity such as:

- 3 (A) π^1 cis or trans tetrahydrocannabinol, and their optical
4 isomers;
5 (B) π^6 cis or trans tetrahydrocannabinol, and their optical
6 isomers; and
7 (C) π^3_4 cis or trans tetrahydrocannabinol, and their optical
8 isomers.

9 Since nomenclature of these substances is not internationally
10 standardized, compounds of these structures, regardless of
11 numerical designation of atomic positions are covered. Other
12 name: THC.

13 (32) Ethylamine analog of phencyclidine (7455). Some trade or
14 other names: N-Ethyl-1-phenylcyclohexylamine;
15 (1-phenylcyclohexyl) ethylamine; N-(1-phenylcyclohexyl)
16 ethylamine; cyclohexamine; PCE.

17 (33) Pyrrolidine analog of phencyclidine (7458). Some trade or
18 other names: 1-(1-phenylcyclohexyl)-pyrrolidine; PCP_y; PHP.

19 (34) Thiophene analog of phencyclidine (7470). Some trade or
20 other names: 1-(1-(2-thienyl) cyclohexyl) piperidine; 2-Thienyl
21 Analog of Phencyclidine; TPCP.

22 (35) Synthetic cannabinoids, including a substance containing one
23 (1) or more of the following chemical compounds:

24 (A) JWH-015 ((2-Methyl-1-propyl-1H-
25 indol-3-yl)-1-naphthalenylmethanone).

26 (B) JWH-018 (1-pentyl-3-(1-naphthoyl)indole).

27 (C) JWH-019 (1-hexyl-3-(naphthalen-1-oyl)indole).

28 (D) JWH-073 (naphthalen-1-yl-
29 (1-butylindol-3-yl)methanone).

30 (E) JWH-081 (4-methoxynaphthalen-1-yl- (1-pentylindol-
31 3-yl)methanone).

32 (F) JWH-122 (1-Pentyl-3-(4-methyl-1-naphthoyl)indole).

33 (G) JWH-200 (1-(2-morpholin-4-ylethyl)indol-3-yl)-
34 naphthalen-1-ylmethanone).

35 **(G) JWH-200 ((1-(2-morpholin-4-ylethyl)indol-3-yl)-**
36 **naphthalen-1-ylmethanone).**

37 (H) JWH-250 (1-pentyl-3-(2-methoxyphenylacetyl)indole).

38 (I) JWH-251 (1-pentyl-3-(2-methylphenylacetyl)indole).

39 (J) JWH-398 (1-pentyl-3-(4-chloro-1-naphthoyl)indole).

40 (K) HU-210 ((6aR,10aR)-9-(Hydroxymethyl)-6,6-dimethyl-
41 3-(2-methyloctan-2-yl)-6a,7,10,10a- tetrahydrobenzo
42 [c]chromen-1-ol).



- 1 (L) HU-211 ((6aS,10aS)-9-(Hydroxymethyl)- 6,6-dimethyl-
 2 3-(2-methyloctan-2-yl)- 6a,7,10,10a-tetrahydrobenzo
 3 [c]chromen-1-ol).
- 4 (M) HU-308 ((1R,2R,5R)-2-[2,6-dimethoxy-4-
 5 (2-methyloctan-2-yl)phenyl]-
 6 7,7-dimethyl-4-bicyclo[3.1.1]hept-3-enyl] methanol).
- 7 ~~(N)~~ HU-331 ((3-hydroxy-2- [(1R,6R)-3-methyl-6-
 8 (1-methylethenyl)-2-cyclohexen-1-yl]-5
 9 -pentyl-2,5-cyclohexadiene-1,4-dione).
- 10 (N) HU-331 (3-hydroxy-2- [(1R,6R)-3-methyl-6-
 11 (1-methylethenyl)-2-cyclohexen-1-yl]-5
 12 -pentyl-2,5-cyclohexadiene-1,4-dione).
- 13 (O) CP 55,940 (2-[(1R,2R,5R)-5-hydroxy-
 14 2-(3-hydroxypropyl)cyclohexyl]-5-
 15 (2-methyloctan-2-yl)phenol).
- 16 (P) CP 47,497 (2-[(1R,3S)-3-hydroxycyclohexyl]- 5-
 17 (2-methyloctan-2-yl)phenol) and its homologues.
- 18 (Q) WIN 55212-2 ((R)-(+)-[2,3-Dihydro-5-methyl-3-
 19 (4-morpholinylmethyl) pyrrolo [1,2,3-de)- 1,4- benzoxazin-
 20 6-yl]-1-naphthalenylmethanone).
- 21 (R) RCS-4 ((4-methoxyphenyl)
 22 (1-pentyl-1H-indol-3-yl)methanone).
- 23 (S) RCS-8 (1-(1-(2-cyclohexylethyl)-
 24 1H-indol-3-yl)-2-(2-methoxyphenyl)ethanone).
- 25 (T) 4-Methylmethcathinone. Other name: mephedrone.
- 26 (U) 3,4-Methylenedioxymethcathinone. Other name:
 27 methylone.
- 28 (V) Fluoromethcathinone.
- 29 (W) 4-Methoxymethcathinone. Other name: methedrone.
- 30 (X) 4-Ethylmethcathinone. Other name: 4-EMC.
- 31 (Y) Methylenedioxyprovalerone. Other name: MDPV.
- 32 (36) Salvia divinorum or salvinorin A, including:
 33 (A) all parts of the plant that are classified botanically as salvia
 34 divinorum, whether growing or not;
 35 (B) the seeds of the plant;
 36 (C) any extract from any part of the plant; and
 37 (D) every compound, manufacture, salt, derivative, mixture, or
 38 preparation of the plant, its seeds, or extracts.
- 39 (e) Depressants. Unless specifically excepted in a rule adopted by
 40 the board or unless listed in another schedule, any material, compound,
 41 mixture, or preparation which contains any quantity of the following
 42 substances having a depressant effect on the central nervous system,



1 including its salts, isomers, and salts of isomers whenever the existence
 2 of such salts, isomers, and salts of isomers is possible within the
 3 specific chemical designation:

4 Gamma-hydroxybutyric acid (other names include GHB;
 5 gamma-hydroxybutyrate; 4-hydroxybutanoic acid; sodium
 6 oxybate; sodium oxybutyrate) (2010)

7 Mecloqualone (2572)

8 Methaqualone (2565)

9 (f) Stimulants. Unless specifically excepted or unless listed in
 10 another schedule, any material, compound, mixture, or preparation that
 11 contains any quantity of the following substances having a stimulant
 12 effect on the central nervous system, including its salts, isomers, and
 13 salts of isomers:

14 ([+/-]) cis-4-methylaminorex (([+/-])cis-4,5-
 15 dihydro-4-methyl-5-phenyl-2-oxazolamine) (1590)

16 Aminorex (1585). Other names: aminoxaphen;
 17 2 - a m i n o - 5 - p h e n y l - 2 - o x a z o l i n e ; o r
 18 4,5-dihydro-5-phenyl-2-oxazolamine.

19 Cathinone (1235). Some trade or other names:
 20 2-amino-1-phenyl-1-propanone; alpha-aminopropiophenone;
 21 2-aminopropiophenone; and norephedrone.

22 Fenethylamine (1503).

23 N-Benzylpiperazine (7493). Other names: BZP; and
 24 1-benzylpiperazine.

25 N-ethylamphetamine (1475)

26 Methcathinone (1237) Some other trade names:
 27 2-Methylamino-1-Phenylpropan-I-one; Ephedrone;
 28 Monomethylpropion; UR 1431.

29 N, N-dimethylamphetamine (1480). Other names: N,
 30 N-alpha-trimethyl-benzeneethanamine; and N,
 31 N-alpha-trimethylphenethylamine.

32 SECTION 234. IC 35-48-4-11, AS AMENDED BY P.L.138-2011,
 33 SECTION 17, AND AS AMENDED BY P.L.182-2011, SECTION 17,
 34 IS CORRECTED AND AMENDED TO READ AS FOLLOWS
 35 [EFFECTIVE UPON PASSAGE]: Sec. 11. A person who:

36 (1) knowingly or intentionally possesses (pure or adulterated)
 37 marijuana, hash oil, hashish, salvia, or a synthetic cannabinoid;

38 (2) knowingly or intentionally grows or cultivates marijuana; or

39 (3) knowing that marijuana is growing on the person's premises,
 40 fails to destroy the marijuana plants;

41 commits possession of marijuana, hash oil, hashish, salvia, or a
 42 synthetic cannabinoid, a Class A misdemeanor. However, the offense

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1 is a Class D felony ~~(#)~~ if the amount involved is more than thirty (30)
 2 grams of marijuana or two (2) grams of hash oil, hashish, salvia, or a
 3 synthetic cannabinoid, or ~~(#)~~ if the person has a prior conviction of an
 4 offense involving marijuana, hash oil, or hashish, salvia, or a synthetic
 5 cannabinoid.

6 SECTION 235. IC 35-51-4-1, AS ADDED BY P.L.70-2011,
 7 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 8 UPON PASSAGE]: Sec. 1. The following statutes define crimes in
 9 IC 4:

- 10 IC 4-1-10-8 (Concerning state agencies).
 11 IC 4-1-10-9 (Concerning state agencies).
 12 IC 4-2-6-13 (Concerning state officers).
 13 IC 4-2-6-14 (Concerning state officers).
 14 IC 4-2-7-8 (Concerning the inspector general).
 15 IC 4-4-27-8 (Concerning the inspection of grain).
 16 IC 4-11-1-6 (Concerning certain loans and mortgages).
 17 IC 4-13-1.2-11 (Concerning the department of correction
 18 ombudsman).
 19 IC 4-13-4.1-4 (Concerning the department of administration).
 20 IC 4-13-19-11 (Concerning the department of child services
 21 ombudsman).
 22 IC 4-13.6-4-14 (Concerning state public works).
 23 IC 4-15-2-42 (Concerning state merit employment).
 24 IC 4-15-10-4 (Concerning certain state employee reports).
 25 IC 4-21.5-3-36 (Concerning administrative proceedings).
 26 IC 4-21.5-3-37 (Concerning administrative proceedings).
 27 IC 4-30-3-19 (Concerning the lottery).
 28 IC 4-30-3-19.5 (Concerning the lottery).
 29 IC 4-30-3-19.7 (Concerning the lottery).
 30 IC 4-30-12-5 (Concerning the lottery).
 31 IC 4-30-13-1 (Concerning the lottery).
 32 IC 4-30-14-1 (Concerning the lottery).
 33 IC 4-30-14-2 (Concerning the lottery).
 34 IC 4-30-14-3 (Concerning the lottery).
 35 IC 4-30-14-4 (Concerning the lottery).
 36 IC 4-30-14-5 (Concerning the lottery).
 37 IC 4-30-14-6 (Concerning the lottery).
 38 IC 4-31-13-3 (Concerning horse racing).
 39 IC 4-31-13-3.5 (Concerning horse racing).
 40 IC 4-31-13-9 (Concerning ~~the lottery~~ **horse racing**).
 41 IC 4-32.2-8-4 (Concerning charity gaming).
 42 IC 4-33-10-1 (Concerning riverboat gambling).



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- 1 IC 4-33-10-2 (Concerning riverboat gambling).
 2 IC 4-33-10-2.1 (Concerning riverboat gambling).
 3 IC 4-33-10-2.5 (Concerning riverboat gambling).
 4 IC 4-33-22-14 (Concerning boxing and mixed martial arts).
 5 IC 4-33-22-40 (Concerning boxing and mixed martial arts).
 6 IC 4-35-9-2 (Concerning gambling games at racetracks).
 7 IC 4-35-9-3 (Concerning gambling games at racetracks).
 8 IC 4-35-9-4 (Concerning gambling games at racetracks).
 9 IC 4-35-9-5 (Concerning gambling games at racetracks).
 10 IC 4-36-6-5 (Concerning gambling in certain establishments).
 11 SECTION 236. IC 35-51-6-1, AS ADDED BY P.L.70-2011,
 12 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 13 UPON PASSAGE]: Sec. 1. The following statutes define crimes in
 14 IC 6:
 15 IC 6-1.1-5.5-10 (Concerning sales disclosure forms).
 16 IC 6-1.1-37-1 (Concerning officers of the state or local
 17 government).
 18 IC 6-1.1-37-2 (Concerning officials or representatives of the
 19 department of local government).
 20 IC 6-1.1-37-3 (Concerning property tax returns, statements, or
 21 documents).
 22 IC 6-1.1-37-4 (Concerning property tax deductions).
 23 IC 6-1.1-37-5 (Concerning false statements on a report or
 24 application).
 25 IC 6-1.1-37-6 (Concerning general assessments).
 26 IC 6-2.3-5.5-12 (Concerning utility taxes).
 27 IC 6-2.3-7-1 (Concerning taxes).
 28 IC 6-2.3-7-2 (Concerning taxes).
 29 IC 6-2.3-7-3 (Concerning taxes).
 30 IC 6-2.3-7-4 (Concerning taxes).
 31 IC 6-2.5-9-1 (Concerning taxes).
 32 IC 6-2.5-9-2 (Concerning taxes).
 33 IC 6-2.5-9-3 (Concerning taxes).
 34 IC 6-2.5-9-6 (Concerning taxes).
 35 IC 6-2.5-9-7 (Concerning retail sales).
 36 IC 6-2.5-9-8 (Concerning taxes).
 37 IC 6-3-3-9 (Concerning taxes).
 38 IC 6-3-4-8 (Concerning taxes).
 39 IC 6-3-6-10 (Concerning taxes).
 40 IC 6-3-6-11 (Concerning taxes).
 41 IC 6-3-7-5 (Concerning taxes).
 42 IC 6-3.5-4-16 (Concerning taxes).

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- 1 IC 6-4.1-12-12 (Concerning taxes).
- 2 IC 6-5.5-7-3 (Concerning taxes).
- 3 IC 6-5.5-7-4 (Concerning taxes).
- 4 IC 6-6-1.1-1307 (Concerning taxes).
- 5 IC 6-6-1.1-1308 (Concerning taxes).
- 6 IC 6-6-1.1-1309 (Concerning taxes).
- 7 IC 6-6-1.1-1310 (Concerning taxes).
- 8 IC 6-6-1.1-1311 (Concerning taxes).
- 9 IC 6-6-1.1-1312 (Concerning taxes).
- 10 IC 6-6-1.1-1313 (Concerning taxes).
- 11 IC 6-6-1.1-1316 (Concerning taxes).
- 12 IC 6-6-2.5-28 (Concerning taxes).
- 13 IC 6-6-2.5-40 (Concerning fuel).
- 14 IC 6-6-2.5-56.5 (Concerning fuel).
- 15 IC 6-6-2.5-62 (Concerning fuel).
- 16 IC 6-6-2.5-63 (Concerning taxes).
- 17 IC 6-6-2.5-71 (Concerning taxes).
- 18 IC 6-6-5-11 (Concerning taxes).
- 19 IC 6-6-5.1-25 (Concerning taxes).
- 20 IC 6-6-6-10 (Concerning taxes).
- 21 IC 6-6-11-27 (Concerning taxes).
- 22 IC 6-7-1-15 (Concerning tobacco taxes).
- 23 IC 6-7-1-21 (Concerning tobacco taxes).
- 24 IC 6-7-1-22 (Concerning tobacco taxes).
- 25 IC 6-7-1-23 (Concerning tobacco taxes).
- 26 IC 6-7-1-24 (Concerning tobacco taxes).
- 27 IC 6-7-1-36 (Concerning tobacco taxes).
- 28 IC 6-7-2-18 (Concerning tobacco taxes).
- 29 IC 6-7-2-19 (Concerning tobacco taxes).
- 30 IC 6-7-2-20 (Concerning tobacco taxes).
- 31 IC 6-7-2-21 (Concerning tobacco taxes).
- 32 IC 6-8-1-19 (Concerning petroleum severance taxes).
- 33 IC 6-8-1-23 (Concerning petroleum severance taxes).
- 34 IC 6-8-1-24 (Concerning petroleum severance taxes).
- 35 IC 6-8.1-3-21.2 (Concerning taxes).
- 36 IC 6-8.1-7-3 (Concerning taxes).
- 37 IC 6-8.1-8-2 (Concerning taxes).
- 38 IC 6-8.1-10-4 (Concerning taxes).
- 39 IC 6-9-2-5 (Concerning innkeeper's taxes).
- 40 IC 6-9-2.5-8 (Concerning innkeeper's taxes).
- 41 IC 6-9-4-8 (Concerning innkeeper's taxes).
- 42 IC 6-9-6-8 (Concerning innkeeper's taxes).

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- 1 IC 6-9-7-8 (Concerning innkeeper's taxes).
- 2 IC 6-9-10-8 (Concerning innkeeper's taxes).
- 3 **IC 6-9-10.5-12 (Concerning innkeeper's taxes).**
- 4 IC 6-9-11-8 (Concerning innkeeper's taxes).
- 5 IC 6-9-14-8 (Concerning innkeeper's taxes).
- 6 IC 6-9-15-8 (Concerning innkeeper's taxes).
- 7 IC 6-9-16-8 (Concerning innkeeper's taxes).
- 8 IC 6-9-17-8 (Concerning innkeeper's taxes).
- 9 IC 6-9-18-8 (Concerning innkeeper's taxes).
- 10 IC 6-9-19-8 (Concerning innkeeper's taxes).
- 11 IC 6-9-29-2 (Concerning innkeeper's taxes).
- 12 IC 6-9-32-8 (Concerning innkeeper's taxes).
- 13 IC 6-9-37-8 (Concerning innkeeper's taxes).
- 14 SECTION 237. IC 35-51-7-1, AS ADDED BY P.L.70-2011,
- 15 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 16 UPON PASSAGE]: Sec. 1. The following statutes define crimes in
- 17 IC ~~7~~: **7.1**:
- 18 IC 7.1-3-10-10 (Concerning liquor dealer's permits).
- 19 IC 7.1-3-26-15 (Concerning direct wine seller's permits).
- 20 IC 7.1-5-1-3 (Concerning public intoxication).
- 21 IC 7.1-5-1-6 (Concerning public intoxication).
- 22 IC 7.1-5-1-8 (Concerning alcohol).
- 23 IC 7.1-5-1-9 (Concerning alcohol).
- 24 IC 7.1-5-1-9.5 (Concerning alcohol).
- 25 IC 7.1-5-1-12 (Concerning alcohol).
- 26 IC 7.1-5-4-1 (Concerning alcohol).
- 27 IC 7.1-5-6-1 (Concerning alcohol).
- 28 IC 7.1-5-7-1 (Concerning alcohol).
- 29 IC 7.1-5-7-2 (Concerning alcohol).
- 30 IC 7.1-5-7-7 (Concerning alcohol).
- 31 IC 7.1-5-7-8 (Concerning alcohol).
- 32 IC 7.1-5-7-10 (Concerning alcohol).
- 33 IC 7.1-5-7-12 (Concerning alcohol).
- 34 IC 7.1-5-7-14 (Concerning alcohol).
- 35 IC 7.1-5-8-1 (Concerning alcohol and tobacco).
- 36 IC 7.1-5-8-3 (Concerning alcohol).
- 37 IC 7.1-5-8-5 (Concerning alcohol).
- 38 IC 7.1-5-8-6 (Concerning alcohol).
- 39 IC 7.1-5-10-10 (Concerning alcohol).
- 40 IC 7.1-5-10-21 (Concerning alcohol).
- 41 IC 7.1-5-10-23 (Concerning alcohol).
- 42 IC 7.1-5-11-5 (Concerning alcohol).

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- 1 IC 7.1-5-11-16 (Concerning alcohol).
- 2 SECTION 238. IC 35-51-8-1, AS ADDED BY P.L.70-2011,
3 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
4 UPON PASSAGE]: Sec. 1. The following statutes define crimes in
5 IC 8:
- 6 IC 8-1-2-79 (Concerning utilities).
- 7 IC 8-1-2-102 (Concerning utilities).
- 8 IC 8-1-2-103 (Concerning utilities).
- 9 IC 8-2-3-1 (Concerning fraudulent bills of lading).
- 10 IC 8-2.1-22-46 (Concerning motor carrier regulation).
- 11 IC 8-2.1-25-7 (Concerning motor carrier regulation).
- 12 ~~IC 8-3-1-13 (Concerning railroads).~~
- 13 IC 8-3-15-3 (Concerning railroads).
- 14 IC 8-10-1-23 (Concerning ports).
- 15 IC 8-10-1-29 (Concerning ports).
- 16 IC 8-15.5-13-8 (Concerning prohibited political contributions).
- 17 IC 8-15.7-16-8 (Concerning prohibited political contributions).
- 18 IC 8-21-1-12 (Concerning aeronautics).
- 19 IC 8-21-2-5 (Concerning aeronautics).
- 20 IC 8-21-4-8 (Concerning aeronautics).
- 21 IC 8-21-4-9 (Concerning aeronautics).
- 22 IC 8-21-9-35 (Concerning aeronautics).
- 23 IC 8-22-2-20 (Concerning aeronautics).
- 24 IC 8-23-20-22 (Concerning billboards).
- 25 IC 8-23-23-3 (Concerning Indiana department of transportation
26 inspectors).
- 27 SECTION 239. IC 35-51-12-1, AS ADDED BY P.L.70-2011,
28 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
29 UPON PASSAGE]: Sec. 1. The following statutes define crimes in
30 IC 12:
- 31 IC 12-10-13-20 (Concerning long term care ombudsman
32 program).
- 33 IC 12-11-13-16 (Concerning statewide waiver ombudsman).
- 34 IC 12-13-14-4.5 (Concerning electronic benefits transfer).
- 35 IC 12-14-22-8 (Concerning family assistance services).
- 36 IC 12-15-24-2 (Concerning Medicaid).
- 37 IC 12-15-35-44 (Concerning Medicaid).
- 38 IC 12-17.2-4-35 (Concerning day care regulation).
- 39 IC 12-17.2-5-35 (Concerning day care regulation).
- 40 IC 12-17.6-6-12 (Concerning children's health insurance
41 program).
- 42 IC 12-20-7-6 (Concerning township assistance).

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- 1 IC 12-20-25-55 (Concerning township assistance).
 2 IC 12-24-17-3 (Concerning state institutions).
 3 IC 12-24-17-6 (Concerning state institutions).
 4 IC 12-24-17-7 (Concerning state institutions).
 5 **IC 12-32-1-7 (Concerning verifications of eligibility for public**
 6 **benefits).**
 7 SECTION 240. IC 35-51-14-1, AS ADDED BY P.L.70-2011,
 8 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 9 UPON PASSAGE]: Sec. 1. The following statutes define crimes in
 10 IC 14:
 11 IC 14-9-8-19 (Concerning the department of natural resources).
 12 IC 14-15-3-31 (Concerning watercraft).
 13 IC 14-15-4-4 (Concerning watercraft accidents).
 14 IC 14-15-8-8 (Concerning operating a watercraft while
 15 intoxicated).
 16 IC 14-15-8-9 (Concerning operating a watercraft while
 17 intoxicated).
 18 IC 14-15-9-8 (Concerning divers).
 19 IC 14-15-11-11 (Concerning motorboat operators).
 20 IC 14-15-12-13 (Concerning personal watercraft).
 21 IC 14-16-1-29 (Concerning off-road vehicles).
 22 IC 14-17-4-8 (Concerning property acquisition).
 23 ~~IC 14-20-1-25 (Concerning state museums and historic sites).~~
 24 IC 14-21-1-16 (Concerning historic preservation and archeology).
 25 IC 14-21-1-26 (Concerning historic preservation and archeology).
 26 IC 14-21-1-26.5 (Concerning historic preservation and
 27 archeology).
 28 IC 14-21-1-27 (Concerning historic preservation and archeology).
 29 IC 14-21-1-28 (Concerning historic preservation and archeology).
 30 IC 14-21-1-36 (Concerning historic preservation and archeology).
 31 IC 14-21-2-5 (Concerning historic preservation and archeology).
 32 **IC 14-22-13-10 (Concerning commercial fishing licenses).**
 33 IC 14-22-17-4 (Concerning fish and wildlife).
 34 IC 14-22-32-3 (Concerning fish and wildlife).
 35 IC 14-22-34-12 (Concerning fish and wildlife).
 36 IC 14-22-37-2 (Concerning fish and wildlife).
 37 IC 14-22-37-3 (Concerning fish and wildlife).
 38 IC 14-22-38-1 (Concerning fish and wildlife).
 39 IC 14-22-38-3 (Concerning fish and wildlife).
 40 IC 14-22-38-6 (Concerning fish and wildlife).
 41 IC 14-22-40-6 (Concerning fish and wildlife).
 42 IC 14-23-7-5 (Concerning forestry).

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- 1 IC 14-24-11-4 (Concerning entomology and plant pathology).
- 2 IC 14-26-7-8 (Concerning lakes and reservoirs).
- 3 IC 14-27-6-52 (Concerning levees, dams, and drainage).
- 4 IC 14-29-8-5 (Concerning rivers, streams, and waterways).
- 5 IC 14-31-3-15 (Concerning nature preserves).
- 6 IC 14-31-3-16 (Concerning nature preserves).
- 7 IC 14-31-3-17 (Concerning nature preserves).
- 8 IC 14-31-3-19 (Concerning nature preserves).
- 9 IC 14-31-3-20 (Concerning nature preserves).
- 10 IC 14-31-3-21 (Concerning nature preserves).
- 11 IC 14-34-2-6 (Concerning surface coal mining and reclamation).
- 12 IC 14-34-16-6 (Concerning surface coal mining and reclamation).
- 13 IC 14-34-16-7 (Concerning surface coal mining and reclamation).
- 14 IC 14-37-13-6 (Concerning oil and gas).

15 SECTION 241. IC 36-1-12-4, AS AMENDED BY P.L.139-2011,
 16 SECTION 6, AND AS AMENDED BY P.L.172-2011, SECTION 139,
 17 IS CORRECTED AND AMENDED TO READ AS FOLLOWS
 18 [EFFECTIVE UPON PASSAGE]: Sec. 4. (a) This section applies
 19 whenever the cost of a public work project will be:

- 20 *(1) at least seventy-five thousand dollars (\$75,000) in:*
- 21 *(A) a consolidated city or second class city;*
- 22 *(B) a county containing a consolidated city or second class*
 23 *city; or*
- 24 *(C) a regional water or sewage district established under*
 25 *IC 13-26; or*
- 26 *(2) at least fifty thousand dollars (\$50,000) in a political*
 27 *subdivision or an agency not described in subdivision (1).*
- 28 *(1) except as provided in subdivision (2), at least one hundred*
 29 *fifty thousand dollars (\$150,000); or*
- 30 *(2) in the case of a board of aviation commissioners or an airport*
 31 *authority board, at least one hundred thousand dollars*
 32 *(\$100,000).*

- 33 (b) The board must comply with the following procedure:
- 34 (1) The board shall prepare general plans and specifications
- 35 describing the kind of public work required, but shall avoid
- 36 specifications which might unduly limit competition. If the
- 37 project involves the resurfacing (as defined by IC 8-14-2-1) of a
- 38 road, street, or bridge, the specifications must show how the
- 39 weight or volume of the materials will be accurately measured
- 40 and verified.
- 41 (2) The board shall file the plans and specifications in a place
- 42 reasonably accessible to the public, which shall be specified in the

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- 1 notice required by subdivision (3).
 2 (3) Upon the filing of the plans and specifications, the board shall
 3 publish notice in accordance with IC 5-3-1 calling for sealed
 4 proposals for the public work needed.
 5 (4) The notice must specify the place where the plans and
 6 specifications are on file and the date fixed for receiving bids.
 7 (5) The period of time between the date of the first publication
 8 and the date of receiving bids shall be governed by the size of the
 9 contemplated project in the discretion of the board. The period of
 10 time between the date of the first publication and receiving bids
 11 may not be more than:
 12 (A) six (6) weeks if the estimated cost of the public works
 13 project is less than twenty-five million dollars (\$25,000,000);
 14 and
 15 (B) ten (10) weeks if the estimated cost of the public works
 16 project is at least twenty-five million dollars (\$25,000,000).
 17 (6) *If the cost of a project is one hundred thousand dollars*
 18 *(\$100,000) or more.* The board shall require the bidder to submit
 19 a financial statement, a statement of experience, a proposed plan
 20 or plans for performing the public work, and the equipment that
 21 the bidder has available for the performance of the public work.
 22 The statement shall be submitted on forms prescribed by the state
 23 board of accounts.
 24 (7) The board may not require a bidder to submit a bid before the
 25 meeting at which bids are to be received. The meeting for
 26 receiving bids must be open to the public. All bids received shall
 27 be opened publicly and read aloud at the time and place
 28 designated and not before. *Notwithstanding any other law, bids*
 29 *may be opened after the time designated if both of the following*
 30 *apply:*
 31 (A) *The board makes a written determination that it is in the*
 32 *best interest of the board to delay the opening.*
 33 (B) *The day, time, and place of the rescheduled opening are*
 34 *announced at the day, time, and place of the originally*
 35 *scheduled opening.*
 36 (8) Except as provided in subsection (c) or (after June 30, 2011)
 37 section 22 of this chapter, the board shall:
 38 (A) award the contract for public work or improvements to the
 39 lowest responsible and responsive bidder; or
 40 (B) reject all bids submitted.
 41 (9) If the board awards the contract to a bidder other than the
 42 lowest bidder, the board must state in the minutes or memoranda,

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1 at the time the award is made, the factors used to determine which
2 bidder is the lowest responsible and responsive bidder and to
3 justify the award. The board shall keep a copy of the minutes or
4 memoranda available for public inspection.

5 (10) In determining whether a bidder is responsive, the board may
6 consider the following factors:

7 (A) Whether the bidder has submitted a bid or quote that
8 conforms in all material respects to the specifications.

9 (B) Whether the bidder has submitted a bid that complies
10 specifically with the invitation to bid and the instructions to
11 bidders.

12 (C) Whether the bidder has complied with all applicable
13 statutes, ordinances, resolutions, or rules pertaining to the
14 award of a public contract.

15 (11) In determining whether a bidder is a responsible bidder, the
16 board may consider the following factors:

17 (A) The ability and capacity of the bidder to perform the work.

18 (B) The integrity, character, and reputation of the bidder.

19 (C) The competence and experience of the bidder.

20 (12) The board shall require the bidder to submit an affidavit:

21 (A) that the bidder has not entered into a combination or
22 agreement:

23 (i) relative to the price to be bid by a person;

24 (ii) to prevent a person from bidding; or

25 (iii) to induce a person to refrain from bidding; and

26 (B) that the bidder's bid is made without reference to any other
27 bid.

28 (c) Notwithstanding subsection (b)(8), a county may award sand,
29 gravel, asphalt paving materials, or crushed stone contracts to more
30 than one (1) responsible and responsive bidder if the specifications
31 allow for bids to be based upon service to specific geographic areas and
32 the contracts are awarded by geographic area. The geographic areas do
33 not need to be described in the specifications.

34 SECTION 242. IC 36-7-4-214, AS AMENDED BY P.L.126-2011,
35 SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
36 UPON PASSAGE]: Sec. 214. (a) ADVISORY. When a municipal plan
37 commission exercises jurisdiction outside the incorporated area of the
38 municipality as provided for in section 205 of the advisory planning
39 law, the executive of the county in which the unincorporated area is
40 located shall appoint two (2) additional citizen members to the
41 municipal plan commission. The citizen members must:

42 (1) be residents of:

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- 1 (A) the unincorporated area; or
- 2 (B) the county, and must also be owners of real property
- 3 located in whole or in part within the unincorporated area; and
- 4 (2) not be of the same political party.

5 However, at least one (1) of the members must be a resident of the
 6 ~~incorporated~~ **unincorporated** area.

7 (b) ADVISORY. Initially, one (1) member under subsection (a)
 8 shall be appointed for a term of one (1) year and the other for a term of
 9 four (4) years. Thereafter, each appointment is for a term of four (4)
 10 years. The additional citizen members are entitled to participate and
 11 vote in all deliberations of the municipal plan commission.

12 (c) ADVISORY. If the unincorporated area referred to in subsection
 13 (a) lies in two (2) counties, the executive of each of those counties shall
 14 appoint one (1) of the additional citizen members. The executive of the
 15 county having the larger proportion of the unincorporated area shall
 16 appoint its member first, and the executive of the other county shall
 17 then appoint its member, who must not be of the same political party.

18 SECTION 243. IC 36-7-13.5-3, AS AMENDED BY P.L.159-2011,
 19 SECTION 48, AND AS AMENDED BY P.L.197-2011, SECTION
 20 129, IS CORRECTED AND AMENDED TO READ AS FOLLOWS
 21 [EFFECTIVE UPON PASSAGE]: Sec. 3. The commission consists of
 22 the following members:

- 23 (1) The following *voting* members: ~~appointed by the governor:~~
 - 24 (A) The mayor of East Chicago.
 - 25 (B) The mayor of Gary.
 - 26 (C) The mayor of Hammond.
 - 27 (D) The mayor of Michigan City.
 - 28 (E) The mayor of Portage.
 - 29 (F) The mayor of Whiting.
 - 30 (G) Two (2) ~~representatives~~ *members*, each ~~from a~~
 31 ~~representing and appointed by a different~~ *steel company* that
 32 owns land abutting Lake Michigan with a continuous shoreline
 33 of not less than one (1) mile.
 - 34 (H) One (1) ~~representative of member to represent and to be~~
 35 ~~appointed by~~ *a company* that:
 - 36 (i) is not a steel company; and
 - 37 (ii) owns land abutting Lake Michigan with a continuous
 38 shoreline of not less than three-tenths (0.3) mile.
 - 39 ~~One (1) representative of the department of environmental~~
 40 ~~management.~~
 - 41 ~~One (1) representative of the department of natural~~
 42 ~~resources.~~

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

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1 the corridor; and

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

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

11 (2) *The following nonvoting members:*

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

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

16 (C) *One (1) member to represent the Indiana department of*
 17 *transportation, appointed by the governor.*

18 (D) *One (1) member appointed by the executive of the Indiana*
 19 *Dunes National Lakeshore.*

20 (E) *The port director of the Port of Indiana-Burns Harbor.*

21 (F) *One (1) member appointed by the Lake County Convention*
 22 *and Visitors Bureau.*

23 (G) *One (1) member appointed by the LaPorte County*
 24 *Convention and Visitors Bureau.*

25 (H) *One (1) member appointed by the Porter County*
 26 *Convention Recreation and Visitor Commission.*

27 SECTION 244. IC 36-7-14-39.3, AS AMENDED BY P.L.172-2011,
 28 SECTION 149, AND AS AMENDED BY P.L.220-2011, SECTION
 29 664, IS CORRECTED AND AMENDED TO READ AS FOLLOWS
 30 [EFFECTIVE UPON PASSAGE]: Sec. 39.3. (a) As used in this
 31 section, "depreciable personal property" refers to:

32 (1) all of the designated taxpayer's depreciable personal property
 33 that is located in the allocation area; and

34 (2) all other depreciable property located and taxable on the
 35 designated taxpayer's site of operations within the allocation area.

36 (b) As used in this section, "designated taxpayer" means any
 37 taxpayer designated by the commission in a declaratory resolution
 38 adopted or amended under section 15 or 17.5 of this chapter, and with
 39 respect to which the commission finds that taxes to be derived from the
 40 depreciable personal property in the allocation area, in excess of the
 41 taxes attributable to the base assessed value of that personal property,
 42 are needed to pay debt service or to provide security for bonds issued



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1 under section 25.1 of this chapter or to make payments or to provide
 2 security on leases payable under section 25.2 of this chapter in order to
 3 provide local public improvements for a particular allocation area.
 4 However, a commission may not designate a taxpayer after June 30,
 5 1992, unless the commission also finds that:

6 (1) the taxpayer's property in the allocation area will consist
 7 primarily of industrial, manufacturing, warehousing, research and
 8 development, processing, distribution, or transportation related
 9 projects *or regulated amusement devices (as defined in*
 10 *IC 22-12-1-19.1) and related improvements; and*

11 (2) the taxpayer's property in the allocation area will not consist
 12 primarily of retail, commercial, or residential projects, *other than*
 13 *an amusement park or tourism industry project.*

14 (c) The allocation provision of a declaratory resolution may modify
 15 the definition of "property taxes" under section 39(a) of this chapter to
 16 include taxes imposed under IC 6-1.1 on the depreciable personal
 17 property located and taxable on the site of operations of the designated
 18 taxpayers in accordance with the procedures and limitations set forth
 19 in this section and section 39 of this chapter. If such a modification is
 20 included in the resolution, for purposes of section 39 of this chapter the
 21 term "base assessed value" with respect to the depreciable personal
 22 property means the net assessed value of all the depreciable personal
 23 property as finally determined for the assessment date immediately
 24 preceding:

25 (1) the effective date of the modification, for modifications
 26 adopted before July 1, 1995; and

27 (2) the adoption date of the modification for modifications
 28 adopted after June 30, 1995;

29 as adjusted under section 39(h) of this chapter.

30 (d) *A declaratory resolution of a city redevelopment commission*
 31 *that is adopted before March 20, 1990, is legalized and validated as if*
 32 *it had been adopted under this section.*

33 (e) *An action taken by a redevelopment commission before*
 34 *February 24, 1992, to designate a taxpayer, modify the definition of*
 35 *property taxes, or establish a base assessed value as described in this*
 36 *section, as in effect on February 24, 1992, is legalized and validated*
 37 *as if this section, as in effect on February 24, 1992, had been in effect*
 38 *on the date of the action.*

39 (f) *The amendment made to this section by P.L.41-1992, does not*
 40 *affect actions taken pursuant to P.L.35-1990.*

41 (g) *A declaratory resolution or an amendment to a declaratory*
 42 *resolution that was adopted by:*

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1 (1) a county redevelopment commission for a county; or
 2 (2) a city redevelopment commission for a city;
 3 before February 26, 1992, is legalized and validated as if the
 4 declaratory resolution or amendment had been adopted under this
 5 section as amended by P.L.147-1992.

6 SECTION 245. IC 36-7-15.1-35, AS AMENDED BY P.L.42-2011,
 7 SECTION 78, AND AS AMENDED BY P.L.203-2011, SECTION 15,
 8 IS CORRECTED AND AMENDED TO READ AS FOLLOWS
 9 [EFFECTIVE UPON PASSAGE]: Sec. 35. (a) Notwithstanding section
 10 26(a) of this chapter, with respect to the allocation and distribution of
 11 property taxes for the accomplishment of a program adopted under
 12 section 32 of this chapter, "base assessed value" means the net assessed
 13 value of all of the land as finally determined for the assessment date
 14 immediately preceding the effective date of the allocation provision, as
 15 adjusted under section ~~26(g)~~ 26(h) of this chapter. However, "base
 16 assessed value" does not include the value of real property
 17 improvements to the land.

18 (b) The special fund established under section 26(b) of this chapter
 19 for the allocation area for a program adopted under section 32 of this
 20 chapter may be used only for purposes related to the accomplishment
 21 of the program, including the following:

- 22 (1) The construction, rehabilitation, or repair of residential units
 23 within the allocation area.
 24 (2) The construction, reconstruction, or repair of infrastructure
 25 (such as streets, sidewalks, and sewers) within or serving the
 26 allocation area.
 27 (3) The acquisition of real property and interests in real property
 28 within the allocation area.
 29 (4) The demolition of real property within the allocation area.
 30 (5) To provide financial assistance to enable individuals and
 31 families to purchase or lease residential units within the allocation
 32 area. However, financial assistance may be provided only to those
 33 individuals and families whose income is at or below the county's
 34 median income for individuals and families, respectively.
 35 (6) To provide financial assistance to neighborhood development
 36 corporations to permit them to provide financial assistance for the
 37 purposes described in subdivision (5).
 38 (7) For property taxes first due and payable before 2009, to
 39 provide each taxpayer in the allocation area a credit for property
 40 tax replacement as determined under subsections (c) and (d).
 41 However, this credit may be provided by the commission only if
 42 the city-county legislative body establishes the credit by



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- 1 ordinance adopted in the year before the year in which the credit
2 is provided.
- 3 (c) The maximum credit that may be provided under subsection
4 (b)(7) to a taxpayer in a taxing district that contains all or part of an
5 allocation area established for a program adopted under section 32 of
6 this chapter shall be determined as follows:
- 7 STEP ONE: Determine that part of the sum of the amounts
8 described in IC 6-1.1-21-2(g)(1)(A) ~~(repealed)~~ and
9 IC 6-1.1-21-2(g)(2) through IC 6-1.1-21-2(g)(5) ~~(repealed)~~
10 ~~(before their repeal)~~ that is attributable to the taxing district.
- 11 STEP TWO: Divide:
- 12 (A) that part of each county's eligible property tax replacement
13 amount (as defined in IC 6-1.1-21-2 ~~(repealed)~~ ~~(before its~~
14 ~~repeal)~~) for that year as determined under IC 6-1.1-21-4(a)(1)
15 ~~(repealed)~~ ~~(before its repeal)~~ that is attributable to the taxing
16 district; by
- 17 (B) the amount determined under STEP ONE.
- 18 STEP THREE: Multiply:
- 19 (A) the STEP TWO quotient; by
- 20 (B) the taxpayer's taxes (as defined in IC 6-1.1-21-2 ~~(before its~~
21 ~~repeal)~~ ~~(repealed)~~ levied in the taxing district allocated to the
22 allocation fund, including the amount that would have been
23 allocated but for the credit.
- 24 (d) Except as provided in subsection (g), the commission may
25 determine to grant to taxpayers in an allocation area from its allocation
26 fund a credit under this section, as calculated under subsection (c), by
27 applying one-half (1/2) of the credit to each installment of taxes (as
28 defined in IC 6-1.1-21-2 ~~(before its repeal)~~ ~~(repealed)~~ that under
29 IC 6-1.1-22-9 are due and payable in a year. Except as provided in
30 subsection (g), one-half (1/2) of the credit shall be applied to each
31 installment of taxes (as defined in IC 6-1.1-21-2 ~~(before its repeal)~~).
32 ~~(repealed)~~. The commission must provide for the credit annually by a
33 resolution and must find in the resolution the following:
- 34 (1) That the money to be collected and deposited in the allocation
35 fund, based upon historical collection rates, after granting the
36 credit will equal the amounts payable for contractual obligations
37 from the fund, plus ten percent (10%) of those amounts.
- 38 (2) If bonds payable from the fund are outstanding, that there is
39 a debt service reserve for the bonds that at least equals the amount
40 of the credit to be granted.
- 41 (3) If bonds of a lessor under section 17.1 of this chapter or under
42 IC 36-1-10 are outstanding and if lease rentals are payable from

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- 1 the fund, that there is a debt service reserve for those bonds that
 2 at least equals the amount of the credit to be granted.
- 3 If the tax increment is insufficient to grant the credit in full, the
 4 commission may grant the credit in part, prorated among all taxpayers.
- 5 (e) Notwithstanding section 26(b) of this chapter, the special fund
 6 established under section 26(b) of this chapter for the allocation area
 7 for a program adopted under section 32 of this chapter may only be
 8 used to do one (1) or more of the following:
- 9 (1) Accomplish one (1) or more of the actions set forth in section
 10 ~~26(b)(2)(A)~~ 26(b)(3)(A) through ~~26(b)(2)(H)~~ 26(b)(3)(H) of this
 11 chapter.
- 12 (2) Reimburse the consolidated city for expenditures made by the
 13 city in order to accomplish the housing program in that allocation
 14 area.
- 15 The special fund may not be used for operating expenses of the
 16 commission.
- 17 (f) Notwithstanding section 26(b) of this chapter, the commission
 18 shall, relative to the special fund established under section 26(b) of this
 19 chapter for an allocation area for a program adopted under section 32
 20 of this chapter, do the following before July 15 of each year:
- 21 (1) Determine the amount, if any, by which the assessed value of
 22 the taxable property in the allocation area, when multiplied by the
 23 estimated tax rate of the allocation area, will exceed the amount
 24 of assessed value needed to produce the property taxes necessary
 25 to:
- 26 (A) make the distribution required under section 26(b)(2) of
 27 this chapter;
- 28 ~~(A) to~~ (B) make, when due, principal and interest payments on
 29 bonds described in section ~~26(b)(2)~~ 26(b)(3) of this chapter;
- 30 ~~(B) to~~ (C) pay the amount necessary for other purposes
 31 described in section ~~26(b)(2)~~ 26(b)(3) of this chapter; and
- 32 ~~(C) to~~ (D) reimburse the consolidated city for anticipated
 33 expenditures described in subsection (e)(2).
- 34 (2) Provide a written notice to the county auditor, the legislative
 35 body of the consolidated city, and the officers who are authorized
 36 to fix budgets, tax rates, and tax levies under IC 6-1.1-17-5 for
 37 each of the other taxing units that is wholly or partly located
 38 within the allocation area. The notice must:
- 39 (A) state the amount, if any, of excess assessed value that the
 40 commission has determined may be allocated to the respective
 41 taxing units in the manner prescribed in section 26(b)(1) of
 42 this chapter; or

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1 (B) state that the commission has determined that there is no
 2 excess assessed value that may be allocated to the respective
 3 taxing units in the manner prescribed in section 26(b)(1) of
 4 this chapter.

5 The county auditor shall allocate to the respective taxing units the
 6 amount, if any, of excess assessed value determined by the
 7 commission.

8 (g) This subsection applies to an allocation area only to the extent
 9 that the net assessed value of property that is assessed as residential
 10 property under the rules of the department of local government finance
 11 is not included in the base assessed value. If property tax installments
 12 with respect to a homestead (as defined in IC 6-1.1-20.9-1 *(before its*
 13 *repeal)* ~~(repealed)~~ are due in installments established by the
 14 department of local government finance under IC 6-1.1-22-9.5, each
 15 taxpayer subject to those installments in an allocation area is entitled
 16 to an additional credit under subsection (d) for the taxes (as defined in
 17 IC 6-1.1-21-2 *(before its repeal)* ~~(repealed)~~ due in installments. The
 18 credit shall be applied in the same proportion to each installment of
 19 taxes (as defined in IC 6-1.1-21-2 *(before its repeal)* ~~(repealed)~~.

20 SECTION 246. IC 36-7-30.5-30, AS AMENDED BY P.L.42-2011,
 21 SECTION 80, AND AS AMENDED BY P.L.203-2011, SECTION 20,
 22 IS CORRECTED AND AMENDED TO READ AS FOLLOWS
 23 [EFFECTIVE UPON PASSAGE]: Sec. 30. (a) The following
 24 definitions apply throughout this section:

25 (1) "Allocation area" means that part of a military base
 26 development area to which an allocation provision of a
 27 declaratory resolution adopted under section 16 of this chapter
 28 refers for purposes of distribution and allocation of property taxes.

29 (2) "Base assessed value" means:

30 (A) the net assessed value of all the property as finally
 31 determined for the assessment date immediately preceding the
 32 adoption date of the allocation provision of the declaratory
 33 resolution, as adjusted under subsection (h); plus

34 (B) to the extent that it is not included in clause (A) or (C), the
 35 net assessed value of any and all parcels or classes of parcels
 36 identified as part of the base assessed value in the declaratory
 37 resolution or an amendment to the declaratory resolution, as
 38 finally determined for any subsequent assessment date; plus

39 (C) to the extent that it is not included in clause (A) or (B), the
 40 net assessed value of property that is assessed as residential
 41 property under the rules of the department of local government
 42 finance, as finally determined for any assessment date after the

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- 1 effective date of the allocation provision.
- 2 (3) "Property taxes" means taxes imposed under IC 6-1.1 on real
3 property.
- 4 (b) A declaratory resolution adopted under section 16 of this chapter
5 before the date set forth in IC 36-7-14-39(b) pertaining to declaratory
6 resolutions adopted under IC 36-7-14-15 may include a provision with
7 respect to the allocation and distribution of property taxes for the
8 purposes and in the manner provided in this section. A declaratory
9 resolution previously adopted may include an allocation provision by
10 the amendment of that declaratory resolution in accordance with the
11 procedures set forth in section 18 of this chapter. The allocation
12 provision may apply to all or part of the military base development
13 area. The allocation provision must require that any property taxes
14 subsequently levied by or for the benefit of any public body entitled to
15 a distribution of property taxes on taxable property in the allocation
16 area be allocated and distributed as follows:
- 17 (1) Except as otherwise provided in this section, the proceeds of
18 the taxes attributable to the lesser of:
- 19 (A) the assessed value of the property for the assessment date
20 with respect to which the allocation and distribution is made;
21 or
22 (B) the base assessed value;
23 shall be allocated to and, when collected, paid into the funds of
24 the respective taxing units.
- 25 *(2) The excess of the proceeds of the property taxes imposed for*
26 *the assessment date with respect to which the allocation and*
27 *distribution is made that are attributable to taxes imposed after*
28 *being approved by the voters in a referendum or local public*
29 *question conducted after April 30, 2010, not otherwise included*
30 *in subdivision (1) shall be allocated to and, when collected, paid*
31 *into the funds of the taxing unit for which the referendum or local*
32 *public question was conducted.*
- 33 ~~(2)~~ (3) Except as otherwise provided in this section, property tax
34 proceeds in excess of those described in ~~subdivision~~ subdivisions
35 (1) and (2) shall be allocated to the development authority and,
36 when collected, paid into an allocation fund for that allocation
37 area that may be used by the development authority and only to do
38 one (1) or more of the following:
- 39 (A) Pay the principal of and interest and redemption premium
40 on any obligations incurred by the development authority or
41 any other entity for the purpose of financing or refinancing
42 military base development or reuse activities in or directly

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1 serving or ~~benefitting~~ *benefiting* that allocation area.
 2 (B) Establish, augment, or restore the debt service reserve for
 3 bonds payable solely or in part from allocated tax proceeds in
 4 that allocation area or from other revenues of the development
 5 authority, including lease rental revenues.
 6 (C) Make payments on leases payable solely or in part from
 7 allocated tax proceeds in that allocation area.
 8 (D) Reimburse any other governmental body for expenditures
 9 made for local public improvements (or structures) in or
 10 directly serving or ~~benefitting~~ **benefiting** that allocation area.
 11 (E) For property taxes first due and payable before 2009, pay
 12 all or a part of a property tax replacement credit to taxpayers
 13 in an allocation area as determined by the development
 14 authority. This credit equals the amount determined under the
 15 following STEPS for each taxpayer in a taxing district (as
 16 defined in IC 6-1.1-1-20) that contains all or part of the
 17 allocation area:
 18 STEP ONE: Determine that part of the sum of the amounts
 19 under IC 6-1.1-21-2(g)(1)(A), ~~(repealed)~~, IC 6-1.1-21-2(g)(2),
 20 ~~(repealed)~~, IC 6-1.1-21-2(g)(3), ~~(repealed)~~,
 21 IC 6-1.1-21-2(g)(4), ~~(repealed)~~, and IC 6-1.1-21-2(g)(5)
 22 ~~(repealed)~~ *(before their repeal)* that is attributable to the
 23 taxing district.
 24 STEP TWO: Divide:
 25 (i) that part of each county's eligible property tax
 26 replacement amount (as defined in IC 6-1.1-21-2 ~~(repealed)~~
 27 *(before its repeal)*) for that year as determined under
 28 IC 6-1.1-21-4 ~~(repealed)~~ *(before its repeal)* that is
 29 attributable to the taxing district; by
 30 (ii) the STEP ONE sum.
 31 STEP THREE: Multiply:
 32 (i) the STEP TWO quotient; by
 33 (ii) the total amount of the taxpayer's taxes (as defined in
 34 IC 6-1.1-21-2 ~~(repealed)~~ *(before its repeal)*) levied in the
 35 taxing district that have been allocated during that year to an
 36 allocation fund under this section.
 37 If not all the taxpayers in an allocation area receive the credit
 38 in full, each taxpayer in the allocation area is entitled to
 39 receive the same proportion of the credit. A taxpayer may not
 40 receive a credit under this section and a credit under section
 41 32 of this chapter (before its repeal) in the same year.
 42 (F) Pay expenses incurred by the development authority for

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1 local public improvements or structures that were in the
 2 allocation area or directly serving or ~~benefitting~~ benefiting the
 3 allocation area.
 4 (G) Reimburse public and private entities for expenses
 5 incurred in training employees of industrial facilities that are
 6 located:
 7 (i) in the allocation area; and
 8 (ii) on a parcel of real property that has been classified as
 9 industrial property under the rules of the department of local
 10 government finance.
 11 However, the total amount of money spent for this purpose in
 12 any year may not exceed the total amount of money in the
 13 allocation fund that is attributable to property taxes paid by the
 14 industrial facilities described in this clause. The
 15 reimbursements under this clause must be made not more than
 16 three (3) years after the date on which the investments that are
 17 the basis for the increment financing are made.
 18 The allocation fund may not be used for operating expenses of the
 19 development authority.
 20 ~~(3)~~ (4) Except as provided in subsection (g), before July 15 of
 21 each year the development authority shall do the following:
 22 (A) Determine the amount, if any, by which property taxes
 23 payable to the allocation fund in the following year will exceed
 24 the amount of property taxes necessary to make, when due,
 25 principal and interest payments on bonds described in
 26 subdivision ~~(2)~~ (3) plus the amount necessary for other
 27 purposes described in ~~subdivision~~ subdivisions (2) and (3).
 28 (B) Provide a written notice to the appropriate county auditors
 29 and the fiscal bodies and other officers who are authorized to
 30 fix budgets, tax rates, and tax levies under IC 6-1.1-17-5 for
 31 each of the other taxing units that is wholly or partly located
 32 within the allocation area. The notice must:
 33 (i) state the amount, if any, of the excess property taxes that
 34 the development authority has determined may be paid to
 35 the respective taxing units in the manner prescribed in
 36 subdivision (1); or
 37 (ii) state that the development authority has determined that
 38 there is no excess assessed value that may be allocated to the
 39 respective taxing units in the manner prescribed in
 40 subdivision (1).
 41 The county auditors shall allocate to the respective taxing units
 42 the amount, if any, of excess assessed value determined by the

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1 development authority. The development authority may not
 2 authorize a payment to the respective taxing units under this
 3 subdivision if to do so would endanger the interest of the
 4 holders of bonds described in subdivision ~~(2)~~ (3) or lessors
 5 under section 24 of this chapter. Property taxes received by a
 6 taxing unit under this subdivision before 2009 are eligible for
 7 the property tax replacement credit provided under IC 6-1.1-21
 8 ~~(repealed)~~. *(before its repeal)*.

9 (c) For the purpose of allocating taxes levied by or for any taxing
 10 unit or units, the assessed value of taxable property in a territory in the
 11 allocation area that is annexed by a taxing unit after the effective date
 12 of the allocation provision of the declaratory resolution is the lesser of:

- 13 (1) the assessed value of the property for the assessment date with
- 14 respect to which the allocation and distribution is made; or
- 15 (2) the base assessed value.

16 (d) Property tax proceeds allocable to the military base development
 17 district under subsection ~~(b)(2)~~ (b)(3) may, subject to subsection ~~(b)(3)~~;
 18 ~~(b)(4)~~, be irrevocably pledged by the military base development district
 19 for payment as set forth in subsection ~~(b)(2)~~: (b)(3).

20 (e) Notwithstanding any other law, each assessor shall, upon
 21 petition of the development authority, reassess the taxable property
 22 situated upon or in or added to the allocation area, effective on the next
 23 assessment date after the petition.

24 (f) Notwithstanding any other law, the assessed value of all taxable
 25 property in the allocation area, for purposes of tax limitation, property
 26 tax replacement, and the making of the budget, tax rate, and tax levy
 27 for each political subdivision in which the property is located is the
 28 lesser of:

- 29 (1) the assessed value of the property as valued without regard to
- 30 this section; or
- 31 (2) the base assessed value.

32 (g) If any part of the allocation area is located in an enterprise zone
 33 created under IC 5-28-15, the development authority shall create funds
 34 as specified in this subsection. A development authority that has
 35 obligations, bonds, or leases payable from allocated tax proceeds under
 36 subsection ~~(b)(2)~~ (b)(3) shall establish an allocation fund for the
 37 purposes specified in subsection ~~(b)(2)~~ (b)(3) and a special zone fund.
 38 The development authority shall, until the end of the enterprise zone
 39 phase out period, deposit each year in the special zone fund any amount
 40 in the allocation fund derived from property tax proceeds in excess of
 41 those described in subsection (b)(1) and (b)(2) from property located
 42 in the enterprise zone that exceeds the amount sufficient for the

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1 purposes specified in subsection ~~(b)(2)~~ (b)(3) for the year. The amount
 2 sufficient for purposes specified in subsection ~~(b)(2)~~ (b)(3) for the year
 3 shall be determined based on the pro rata part of such current property
 4 tax proceeds from the part of the enterprise zone that is within the
 5 allocation area as compared to all such current property tax proceeds
 6 derived from the allocation area. A development authority that does not
 7 have obligations, bonds, or leases payable from allocated tax proceeds
 8 under subsection ~~(b)(2)~~ (b)(3) shall establish a special zone fund and
 9 deposit all the property tax proceeds in excess of those described in
 10 subsection (b)(1) and (b)(2) that are derived from property in the
 11 enterprise zone in the fund. The development authority that creates the
 12 special zone fund shall use the fund (based on the recommendations of
 13 the urban enterprise association) for programs in job training, job
 14 enrichment, and basic skill development that are designed to benefit
 15 residents and employers in the enterprise zone or for other purposes
 16 specified in subsection ~~(b)(2)~~; (b)(3), except that where reference is
 17 made in subsection ~~(b)(2)~~ (b)(3) to an allocation area it shall refer for
 18 purposes of payments from the special zone fund only to that part of the
 19 allocation area that is also located in the enterprise zone. The programs
 20 shall reserve at least one-half (1/2) of their enrollment in any session
 21 for residents of the enterprise zone.

22 (h) After each general reassessment under IC 6-1.1-4, the
 23 department of local government finance shall adjust the base assessed
 24 value one (1) time to neutralize any effect of the general reassessment
 25 on the property tax proceeds allocated to the military base development
 26 district under this section. After each annual adjustment under
 27 IC 6-1.1-4-4.5, the department of local government finance shall adjust
 28 the base assessed value to neutralize any effect of the annual
 29 adjustment on the property tax proceeds allocated to the military base
 30 development district under this section. However, the adjustments
 31 under this subsection may not include the effect of property tax
 32 abatements under IC 6-1.1-12.1, and these adjustments may not
 33 produce less property tax proceeds allocable to the military base
 34 development district under subsection ~~(b)(2)~~ (b)(3) than would
 35 otherwise have been received if the general reassessment or annual
 36 adjustment had not occurred. The department of local government
 37 finance may prescribe procedures for county and township officials to
 38 follow to assist the department in making the adjustments.

39 SECTION 247. IC 36-8-6-8.1 IS AMENDED TO READ AS
 40 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 8.1. (a) If a local
 41 board determines that a fund member has a temporary or a permanent
 42 disability, the local board shall also make a recommendation to the



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1 ~~1977 fund advisory committee~~ **board of trustees of the Indiana**
 2 **public retirement system (referred to in this section as "the system**
 3 **board")** concerning whether the disability is:

- 4 (1) a disability in the line of duty (as described in section 8(b)(1)
 5 of this chapter); or
 6 (2) a disability not in the line of duty (a disability other than a
 7 disability described in section 8(b)(1) of this chapter).

8 The local board shall forward its recommendation to the ~~1977 fund~~
 9 ~~advisory committee.~~ **system board.**

10 (b) The ~~1977 fund advisory committee~~ **system board** shall review
 11 the local board's recommendation not later than forty-five (45) days
 12 after receiving the recommendation and shall then issue an initial
 13 determination of whether the disability is in the line of duty or not in
 14 the line of duty. The ~~1977 fund advisory committee~~ **system board** shall
 15 notify the local board, the safety board, and the fund member of its
 16 initial determination.

17 (c) The fund member, the safety board, or the local board may
 18 object in writing to the ~~1977 fund advisory committee's~~ **system board's**
 19 initial determination under subsection (b) not later than fifteen (15)
 20 days after the initial determination is issued. If a written objection is
 21 not filed, the ~~1977 fund advisory committee's~~ **system board's** initial
 22 determination becomes final. If a timely written objection is filed, the
 23 ~~1977 fund advisory committee~~ **system board** shall issue a final
 24 determination after a hearing. The final determination must be issued
 25 not later than one hundred eighty (180) days after the date of receipt of
 26 the local board's recommendation.

27 SECTION 248. IC 36-8-7-11, AS AMENDED BY P.L.99-2007,
 28 SECTION 216, IS AMENDED TO READ AS FOLLOWS
 29 [EFFECTIVE UPON PASSAGE]: Sec. 11. (a) Benefits paid under this
 30 section are subject to section 2.5 of this chapter.

31 (b) If a member of the fire department becomes seventy (70) years
 32 of age or is found upon examination by a medical officer to have a
 33 physical or mental disability and to be unable to perform the essential
 34 functions of the job, considering reasonable accommodation to the
 35 extent required by the Americans with Disabilities Act, so as to make
 36 necessary the person's retirement from all service with the department,
 37 the local board shall retire the person.

38 (c) The local board may retire a person for disability only after a
 39 hearing conducted under IC 36-8-8-12.7.

40 (d) If after the hearing the local board determines that a person who
 41 became disabled before July 1, 2000, is disabled and unable to perform
 42 the essential functions of the job, considering reasonable

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1 accommodation to the extent required by the Americans with
 2 Disabilities Act, the local board shall then authorize the monthly
 3 payment to the person from the 1937 fund of an amount equal to
 4 fifty-five percent (55%) of the salary of a fully paid first class
 5 firefighter in the unit at the time of the payment of the pension. All
 6 physical and mental examinations of members of the fire department
 7 shall be made on order of the local board by a medical officer
 8 designated by the local board.

9 (e) If, after the hearing under this section and a recommendation
 10 under section 12.5 of this chapter, the ~~1977 fund advisory committee~~
 11 **board of trustees of the Indiana public retirement system**
 12 determines that a person who becomes disabled after June 30, 2000:

13 (1) has a disability that is:

14 (A) the direct result of:

15 (i) a personal injury that occurs while the fund member is on
 16 duty;

17 (ii) a personal injury that occurs while the fund member is
 18 responding to an emergency or reported emergency for
 19 which the fund member is trained; or

20 (iii) an occupational disease (as defined in IC 22-3-7-10),
 21 including a duty related disease that is also included within
 22 clause (B);

23 (B) a duty related disease (for purposes of this section, a "duty
 24 related disease" means a disease arising out of the fund
 25 member's employment. A disease is considered to arise out of
 26 the fund member's employment if it is apparent to the rational
 27 mind, upon consideration of all of the circumstances, that:

28 (i) there is a connection between the conditions under which
 29 the fund member's duties are performed and the disease;

30 (ii) the disease can be seen to have followed as a natural
 31 incident of the fund member's duties as a result of the
 32 exposure occasioned by the nature of the fund member's
 33 duties; and

34 (iii) the disease can be traced to the fund member's
 35 employment as the proximate cause); or

36 (C) a disability presumed incurred in the line of duty under
 37 IC 5-10-13 or IC 5-10-15; and

38 (2) is unable to perform the essential functions of the job,
 39 considering reasonable accommodation to the extent required by
 40 the Americans with Disabilities Act;

41 the local board shall then authorize the monthly payment to the person
 42 from the 1937 fund of an amount equal to fifty-five percent (55%) of

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1 the salary of a fully paid first class firefighter in the unit at the time of
 2 the payment of the pension. All physical and mental examinations of
 3 members of the fire department shall be made on order of the local
 4 board by a medical officer designated by the local board.

5 (f) If after the hearing under this section and a recommendation
 6 under section 12.5 of this chapter, the ~~1977 fund advisory committee~~
 7 **board of trustees of the Indiana public retirement system**
 8 determines that a person who becomes disabled after June 30, 2000:

9 (1) has a disability that is not a disability described in subsection
 10 (e)(1); and

11 (2) is unable to perform the essential functions of the job,
 12 considering reasonable accommodation to the extent required by
 13 the Americans with Disabilities Act;

14 the local board shall then authorize the monthly payment to the person
 15 from the 1937 fund of an amount equal to fifty-five percent (55%) of
 16 the salary of a fully paid first class firefighter in the unit at the time of
 17 the payment of the pension. All physical and mental examinations of
 18 members of the fire department shall be made on order of the local
 19 board by a medical officer designated by the local board.

20 SECTION 249. IC 36-8-7-12.5 IS AMENDED TO READ AS
 21 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 12.5. (a) If a local
 22 board determines that a fund member has a temporary or a permanent
 23 disability, the local board shall also make a recommendation to the
 24 ~~1977 fund advisory committee~~ **board of trustees of the Indiana**
 25 **public retirement system (referred to in this section as "the system**
 26 **board")** concerning whether the disability is:

27 (1) a disability in the line of duty (as described in section 11(e)(1)
 28 of this chapter); or

29 (2) a disability not in the line of duty (a disability other than a
 30 disability described in section 11(e)(1) of this chapter).

31 The local board shall forward its recommendation to the ~~1977 fund~~
 32 ~~advisory committee.~~ **system board.**

33 (b) The ~~1977 fund advisory committee~~ **system board** shall review
 34 the local board's recommendation not later than forty-five (45) days
 35 after receiving the recommendation and shall then issue an initial
 36 determination of whether the disability is in the line of duty or not in
 37 the line of duty. The ~~1977 fund advisory committee~~ **system board** shall
 38 notify the local board, the safety board, and the fund member of its
 39 initial determination.

40 (c) The fund member, the safety board, or the local board may
 41 object in writing to the ~~1977 fund advisory committee's~~ **system board's**
 42 initial determination under subsection (b) not later than fifteen (15)

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1 days after the initial determination is issued. If a written objection is
 2 not filed, the ~~1977 fund advisory committee's~~ **system board's** initial
 3 determination becomes final. If a timely written objection is filed, the
 4 ~~1977 fund advisory committee~~ **system board** shall issue a final
 5 determination after a hearing. The final determination must be issued
 6 not later than one hundred eighty (180) days after the date of receipt of
 7 the local board's recommendation.

8 SECTION 250. IC 36-8-7.5-13.2 IS AMENDED TO READ AS
 9 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 13.2. (a) If a local
 10 board determines that a fund member has a temporary or a permanent
 11 disability, the local board shall also make a recommendation to the
 12 ~~1977 fund advisory committee~~ **board of trustees of the Indiana**
 13 **public retirement system (referred to in this section as "the system**
 14 **board")** concerning whether the disability is:

- 15 (1) a disability in the line of duty (as described in section 13(b)(1)
 16 of this chapter); or
 17 (2) a disability not in the line of duty (a disability other than a
 18 disability described in section 13(b)(1) of this chapter).

19 The local board shall forward its recommendation to the ~~1977 fund~~
 20 ~~advisory committee.~~ **system board.**

21 (b) The ~~1977 fund advisory committee~~ **system board** shall review
 22 the local board's recommendation not later than forty-five (45) days
 23 after receiving the recommendation and shall then issue an initial
 24 determination of whether the disability is in the line of duty or not in
 25 the line of duty. The ~~1977 fund advisory committee~~ **system board** shall
 26 notify the local board, the safety board, and the fund member of its
 27 initial determination.

28 (c) The fund member, the safety board, or the local board may
 29 object in writing to the ~~1977 fund advisory committee's~~ **system board's**
 30 initial determination under subsection (b) not later than fifteen (15)
 31 days after the initial determination is issued. If a written objection is
 32 not filed, the ~~1977 fund advisory committee's~~ **system board's** initial
 33 determination becomes final. If a timely written objection is filed, the
 34 ~~1977 fund advisory committee~~ **system board** shall issue a final
 35 determination after a hearing. The final determination must be issued
 36 not later than one hundred eighty (180) days after the date of receipt of
 37 the local board's recommendation.

38 SECTION 251. IC 36-8-8-8, AS AMENDED BY P.L.13-2011,
 39 SECTION 17, AND AS AMENDED BY P.L.16-2011, SECTION 13,
 40 IS CORRECTED AND AMENDED TO READ AS FOLLOWS
 41 [EFFECTIVE UPON PASSAGE]: Sec. 8. (a) Each fund member shall
 42 contribute during the period of the fund member's employment or for

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1 thirty-two (32) years, whichever is shorter, an amount equal to six
 2 percent (6%) of the salary of a first class patrolman or firefighter.
 3 However, the employer may pay all or a part of the contribution for the
 4 member. The amount of the contribution, other than contributions paid
 5 on behalf of a member, shall be deducted each pay period from each
 6 fund member's salary by the disbursing officer of the employer. The
 7 employer shall send to the **PERF system** board each year on March 31,
 8 June 30, September 30, and December 31, for the calendar quarters
 9 ending on those dates, *or an alternate date established by the rules of*
 10 *the **PERF system** board*, a certified list of fund members and a warrant
 11 issued by the employer for the total amount deducted for fund
 12 members' contributions.

13 (b) *After December 31, 2011, an employer shall submit:*

14 (1) *the list described in subsection (a) in a uniform format*
 15 *through a secure connection over the Internet or through other*
 16 *electronic means specified by the **PERF system** board; and*

17 (2) *the contributions paid by or on behalf of a member under*
 18 *subsection (a) by electronic funds transfer.*

19 ~~(b)~~ (c) Except as provided in section 7.2 of this chapter, if a fund
 20 member ends the fund member's employment other than by death or
 21 disability before the fund member completes twenty (20) years of
 22 active service, the **PERF system** board shall return to the fund member
 23 in a lump sum the fund member's contributions plus interest ~~as~~
 24 *determined at a rate specified by rule by the **PERF system** board*. If the
 25 fund member returns to service, the fund member is entitled to credit
 26 for the years of service for which the fund member's contributions were
 27 refunded if the fund member repays the amount refunded to the fund
 28 member in either a lump sum or a series of payments determined by the
 29 **PERF system** board.

30 SECTION 252. IC 36-8-8-13.1, AS AMENDED BY P.L.13-2011,
 31 SECTION 19, AND AS AMENDED BY P.L.23-2011, SECTION 28,
 32 IS CORRECTED AND AMENDED TO READ AS FOLLOWS
 33 [EFFECTIVE UPON PASSAGE]: Sec. 13.1. (a) If:

34 (1) the local board has determined under this chapter that a
 35 covered impairment exists and the safety board has determined
 36 that there is no suitable and available work within the department,
 37 considering reasonable accommodation to the extent required by
 38 the Americans with Disabilities Act; or

39 (2) the fund member has filed an appeal under section 12.7(o) of
 40 this chapter;

41 the local board shall submit the local board's determinations and the
 42 safety board's determinations to the *PERF system* board's director.



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1 (b) Whenever a fund member is determined to have an impairment
 2 under section 12.7(i) of this chapter, the *PERF system* board's director
 3 shall initiate a review of the default award not later than sixty (60) days
 4 after the director learns of the default award.

5 (c) After the *PERF system* board's director receives the
 6 determinations under subsection (a) or initiates a review under
 7 subsection (b), the fund member must submit to an examination by a
 8 medical authority selected by the *PERF system* board. The authority
 9 shall determine if there is a covered impairment. With respect to a fund
 10 member who is covered by sections 12.5 and 13.5 of this chapter, the
 11 authority shall determine the degree of impairment. The *PERF system*
 12 board shall adopt rules ~~under IC 4-22-2~~ to establish impairment
 13 standards, such as the impairment standards contained in the United
 14 States Department of Veterans Affairs Schedule for Rating Disabilities.
 15 The report of the examination shall be submitted to the *PERF system*
 16 board's director. If a fund member refuses to submit to an examination,
 17 the authority may find that no impairment exists.

18 (d) The *PERF system* board's director shall review the medical
 19 authority's report and the local board's determinations and issue an
 20 initial determination within sixty (60) days after receipt of the local
 21 board's determinations. The *PERF system* board's director shall notify
 22 the local board, the safety board, and the fund member of the initial
 23 determination. The following provisions apply if the *PERF system*
 24 board's director does not issue an initial determination within sixty (60)
 25 days and if the delay is not attributable to the fund member or the
 26 safety board:

- 27 (1) In the case of a review initiated under subsection ~~(a)(1)~~ **(b)**:
 28 (A) the determinations of the local board and the chief of the
 29 police or fire department are considered to be the initial
 30 determination; and
 31 (B) for purposes of section 13.5(d) of this chapter, the fund
 32 member is considered to be totally impaired.
 33 (2) In the case of an appeal submitted under subsection (a)(2), the
 34 statements made by the fund member under section 12.7(o) of this
 35 chapter are considered to be the initial determination.
 36 (3) In the case of a review initiated under subsection (b), the
 37 initial determination is the impairment determined under section
 38 12.7(i) of this chapter.

39 (e) The fund member, the safety board, or the local board may
 40 object in writing to the director's initial determination within fifteen
 41 (15) days after the determination is issued. If no written objection is
 42 filed, the initial determination becomes the final order of the *PERF*



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1 system board. If a timely written objection is filed, the *PERF* system
 2 board shall issue the final order after a hearing. *Unless an*
 3 *administrative law judge orders a waiver or an extension of the period*
 4 *for cause shown*, the final order shall be issued not later than one
 5 hundred eighty (180) days after the date of receipt of the local board's
 6 determination or the date the *PERF* system board's director initiates a
 7 review under subsection (b). The following provisions apply if a final
 8 order is not issued within ~~one hundred eighty (180) days~~ *the time limit*
 9 *described in this subsection* and if the delay is not attributable to the
 10 fund member or the chief of the police or fire department:

11 (1) In the case of a review initiated under subsection ~~(a)(1)~~: **(b)**:

12 (A) the determinations of the local board and the chief of the
 13 police or fire department are considered to be the final order;
 14 and

15 (B) for purposes of section 13.5(d) of this chapter, the fund
 16 member is considered to be totally impaired.

17 (2) In the case of an appeal submitted under subsection (a)(2), the
 18 statements made by the fund member under section 12.7(o) of this
 19 chapter are considered to be the final order.

20 (3) In the case of a review initiated under subsection (b), the
 21 impairment determined under section 12.7(i) of this chapter is
 22 considered to be the final order.

23 (f) If the *PERF* system board approves the director's initial
 24 determination, then the *PERF* system board shall issue a final order
 25 adopting the initial determination. The local board and the chief of the
 26 police or fire department shall comply with the initial determination.
 27 If the *PERF* system board does not approve the initial determination,
 28 the *PERF* system board may receive additional evidence on the matter
 29 before issuing a final order.

30 (g) Appeals of the *PERF* system board's final order may be made
 31 under IC 4-21.5.

32 (h) The transcripts, records, reports, and other materials compiled
 33 under this section must be retained in accordance with the procedures
 34 specified in section 12.7(p) of this chapter.

35 SECTION 253. IC 36-8-8-19, AS AMENDED BY P.L.23-2011,
 36 SECTION 30, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 37 UPON PASSAGE]: Sec. 19. (a) The baseline statewide physical
 38 examination required by section 7(a) of this chapter shall be prescribed
 39 by the system board and shall be administered by the appointing
 40 authority, as determined by the local board, after the appointing
 41 authority extends a conditional offer for employment. The baseline
 42 statewide physical examination shall be administered by a licensed



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- 1 physician and must include all of the following:
- 2 (1) A general medical history.
- 3 (2) The tests identified in rules that shall be adopted by the system
- 4 board.
- 5 (b) The system board shall adopt minimum standards by rule that a
- 6 police officer or firefighter must meet for the baseline statewide
- 7 physical examination described in subsection (a). The baseline
- 8 statewide physical examination and related standards must:
- 9 (1) reflect the essential functions of the job;
- 10 (2) be consistent with business necessity; and
- 11 (3) be evaluated by the system board one (1) time before January
- 12 1, 2015, and every five (5) years thereafter.
- 13 (c) The system board shall, in consultation with the commissioner
- 14 of mental health, select the baseline statewide mental examination
- 15 described in section 7(a) of this chapter. The standards for passing the
- 16 baseline statewide mental examination shall be determined by the local
- 17 board. The baseline statewide mental examination and related
- 18 standards must:
- 19 (1) reflect the essential functions of the job;
- 20 (2) be consistent with business necessity; and
- 21 (3) be evaluated by the system board one (1) time before January
- 22 1, 2015, and every five (5) years thereafter.
- 23 The purpose of the baseline statewide mental examination is to
- 24 determine if the police officer or firefighter is mentally suitable to be
- 25 a member of the department. The local board may designate a
- 26 community mental health center or a managed care provider (as
- 27 defined in IC 12-7-2-127(b)), a hospital, a licensed physician, or a
- 28 licensed psychologist to administer the examination. However, the
- 29 results of a baseline statewide mental examination shall be interpreted
- 30 by a licensed physician or a licensed psychologist.
- 31 (d) The employer shall pay for no less than one-half (1/2) the cost
- 32 of the examinations.
- 33 (e) Each local board shall name the physicians who will conduct the
- 34 examinations under this section.
- 35 (f) If a local board determines that a candidate passes the local
- 36 physical and mental standards, if any, established under IC 36-8-3.2-6,
- 37 the baseline statewide physical examination described in subsection
- 38 (a), and the baseline statewide mental examination described in
- 39 subsection (c), the local board shall send the following to **the** Indiana
- 40 public retirement system:
- 41 (1) Copies and certification of the results of the baseline statewide
- 42 physical examination described in subsection (a).

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1 (2) Certification of the results of the physical agility examination
 2 required under IC 36-8-3.2-3 or IC 36-8-3.2-3.5.
 3 (3) Certification of the results of the baseline statewide mental
 4 examination described in subsection (c).
 5 (g) The system board or the system board's designee shall then
 6 determine whether the candidate passes the baseline statewide physical
 7 standards adopted under subsection (b). If the candidate passes the
 8 baseline statewide standards, the system board or the system board's
 9 designee shall also determine whether the candidate has a Class 3
 10 excludable condition under section 13.6 of this chapter. The system
 11 board or the system board's designee shall retain the results of the
 12 examinations and all documents related to the examination until the
 13 police officer or firefighter retires or separates from the department.
 14 (h) To the extent required by the federal Americans with Disabilities
 15 Act, the system board shall do the following:
 16 (1) Treat the medical transcripts, reports, records, and other
 17 material compiled under this section as confidential medical
 18 records.
 19 (2) Keep the transcripts, reports, records, and material described
 20 in subdivision (1) in separate medical files for each member.
 21 (i) A local board may, at the request of an appointing authority or on
 22 the local board's own motion, issue subpoenas, discovery orders, and
 23 protective orders in accordance with the Indiana Rules of Trial
 24 Procedure to facilitate the receipt of accurate and original documents
 25 necessary for the proper administration of this chapter. A subpoena or
 26 order issued under this subsection:
 27 (1) must be served in accordance with the Indiana Rules of Trial
 28 Procedure; and
 29 (2) may be enforced in the circuit or superior court with
 30 jurisdiction for the county in which the subpoena or order is
 31 served.
 32 SECTION 254. IC 36-8-16.5-51, AS AMENDED BY P.L. 173-2011,
 33 SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 34 UPON PASSAGE]: Sec. 51. (a) For purposes of this section, a PSAP
 35 includes a public safety communications system operated and
 36 maintained under IC 36-8-15.
 37 (b) As used in this section, "PSAP operator" means:
 38 (1) a political subdivision; or
 39 (2) an agency;
 40 that operates a PSAP. The term does not include any entity described
 41 in subsection (c)(1) through (c)(3).
 42 (c) Subject to subsection (d), after December 31, 2014, a county

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1 may not contain more than two (2) PSAPs. However, a county may
2 contain one (1) or more PSAPs in addition to the number of PSAPs
3 authorized by this section, as long as any additional PSAPs are
4 operated: ~~by~~:

- 5 (1) ~~by~~ a state educational institution;
- 6 (2) ~~by~~ an airport authority established for a county having a
7 consolidated city; or
- 8 (3) in a county having a consolidated city, ~~by~~ an excluded city (as
9 defined in IC 36-3-1-7).

10 (d) If, on March 15, 2008, a county does not contain more than one
11 (1) PSAP, not including any PSAP operated by an entity described in
12 subsection (c)(1) through (c)(3), an additional PSAP may not be
13 established and operated in the county on or after March 15, 2008,
14 unless the additional PSAP is established and operated by:

- 15 (1) a state educational institution;
- 16 (2) in the case of a county having a consolidated city, an airport
17 authority established for the county; or
- 18 (3) the municipality having the largest population in the county or
19 an agency of that municipality.

20 (e) Before January 1, 2015, each PSAP operator in a county that
21 contains more than the number of PSAPs authorized by subsection (c)
22 shall enter into an interlocal agreement under IC 36-1-7 with every
23 other PSAP operator in the county to ensure that the county does not
24 contain more than the number of PSAPs authorized by subsection (c)
25 after December 31, 2014.

26 (f) An interlocal agreement required under subsection (e) may
27 include as parties, in addition to the PSAP operators required to enter
28 into the interlocal agreement under subsection (e), any of the following
29 that seek to be served by a county's authorized PSAPs after December
30 31, 2014:

- 31 (1) Other counties contiguous to the county.
- 32 (2) Other political subdivisions in a county contiguous to the
33 county.
- 34 (3) Other PSAP operators in a county contiguous to the county.

35 (g) An interlocal agreement required under subsection (e) must
36 provide for the following:

- 37 (1) A plan for the:
 - 38 (A) consolidation;
 - 39 (B) reorganization; or
 - 40 (C) elimination;
- 41 of one (1) or more of the county's PSAPs, as necessary to ensure
42 that the county does not contain more than the number of PSAPs

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1 authorized by subsection (c) after December 31, 2014.

2 (2) A plan for funding and staffing the PSAP or PSAPs that will
3 serve:

4 (A) the county; and

5 (B) any areas contiguous to the county, if additional parties
6 described in subsection (f) participate in the interlocal
7 agreement;

8 after December 31, 2014.

9 (3) Subject to any applicable state or federal requirements,
10 protocol to be followed by the county's PSAP or PSAPs in:

11 (A) receiving incoming 911 calls; and

12 (B) dispatching appropriate public safety agencies to respond
13 to the calls;

14 after December 31, 2014.

15 (4) Any other matters that the participating PSAP operators or
16 parties described in subsection (f), if any, determine are necessary
17 to ensure that the county does not contain more than the number
18 of PSAPs authorized by subsection (c) after December 31, 2014.

19 (h) This section may not be construed to require a county to contain
20 a PSAP.

21 SECTION 255. P.L.229-2011, SECTION 278 IS REPEALED
22 [EFFECTIVE UPON PASSAGE]. SECTION 278: (a) As used in this
23 SECTION, "division" refers to the division of disability and
24 rehabilitative services established by IC 12-9-1-1.

25 (b) As used in this SECTION, "office" refers to the office of
26 Medicaid policy and planning established by IC 12-8-6-1.

27 (c) As used in this SECTION, "waiver" refers to any waiver
28 administered by the office and the division under section 1915(c) of the
29 federal Social Security Act.

30 (d) Before October 1, 2011, the office shall apply to the United
31 States Department of Health and Human Services for approval to
32 amend a waiver to set an emergency placement priority for individuals
33 in the following situations:

34 (1) Death of a primary caregiver where alternative placement in
35 a supervised group living setting:

36 (A) is not available; or

37 (B) is determined by the division to be an inappropriate option:

38 (2) A situation in which:

39 (A) the primary caregiver is at least eighty (80) years of age;
40 and

41 (B) alternate placement in a supervised group living setting is
42 not available or is determined by the division to be an

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- 1 inappropriate option.
- 2 (3) There is evidence of abuse or neglect in the current
- 3 institutional or home placement, and alternate placement in a
- 4 supervised group living setting is not available or is determined
- 5 by the division to be an inappropriate option.
- 6 (4) There are other health and safety risks, as determined by the
- 7 division director, and alternate placement in a supervised group
- 8 living setting is not available or is determined by the division to
- 9 be an inappropriate option.
- 10 (e) The division shall report on a quarterly basis the following
- 11 information to the division of disability and rehabilitative services
- 12 advisory council established by IC 12-9-4-2 concerning each Medicaid
- 13 waiver for which the office has been approved under this section to
- 14 administer an emergency placement priority for individuals described
- 15 in this section:
- 16 (1) The number of applications for emergency placement priority
- 17 waivers.
- 18 (2) The number of individuals served on the waiver.
- 19 (3) The number of individuals on a wait list for the waiver.
- 20 (f) The office may adopt rules under IC 4-22-2 necessary to
- 21 implement this SECTION.
- 22 (g) This SECTION expires July 1, 2016.
- 23 SECTION 256. An emergency is declared for this act.

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COMMITTEE REPORT

Mr. Speaker: Your Committee on Judiciary, to which was referred House Bill 1009, 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 5, line 19, after "(3)" insert "**as provided by**".

Page 70, line 15, delete "section." and insert "section:".

Page 84, line 12, strike "fifty-five" and insert "**sixty-five**".

Page 84, line 13, strike "(55,000)" and insert "**(65,000)**".

Page 84, line 13, strike "fifty-nine" and insert "**seventy**".

Page 84, line 13, strike "(59,000);" and insert "**(70,000);**".

Page 84, line 14, strike "twenty-eight" and insert "**twenty-nine**".

Page 84, line 15, strike "seven" and insert "**five**".

Page 84, line 15, strike "(28,700)" and insert "**(29,500)**".

Page 84, line 16, strike "(29,000);" and insert "**six hundred (29,600);**".

Page 94, line 41, delete "FOLLOWS:" and insert "FOLLOWS [EFFECTIVE UPON PASSAGE]:".

Page 121, between lines 6 and 7, begin a new paragraph and insert:
"SECTION 93. IC 12-15-45, AS ADDED BY P.L.160-2011, SECTION 16, IS REPEALED [EFFECTIVE UPON PASSAGE]. (Medicaid Waivers and State Plan Amendments).

SECTION 94. IC 12-15-45, AS ADDED BY P.L.229-2011, SECTION 144, IS REPEALED [EFFECTIVE UPON PASSAGE]. (Medicaid Waiver: Developmental Disabilities Home and Community Based Services)."

Re-number all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to HB 1009 as introduced.)

FOLEY, Chair

Committee Vote: yeas 8, nays 0.

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