



January 23, 2012

HOUSE BILL No. 1207

DIGEST OF HB 1207 (Updated January 17, 2012 11:11 am - DI 96)

Citations Affected: Numerous provisions throughout the Indiana Code.

Synopsis: State civil service system. Makes the following changes as the result of the enactment of SECTION 56 of HEA 1001(P.L.229-2011) concerning the state civil service system: (1) Removes responsibility for public employee collective bargaining from the budget agency. (2) Removes references to a state employee who is a party to a collective bargaining agreement or an employment contract in connection with leave for bone marrow or organ donation. (3) Amends or repeals provisions that conflict with the state civil service system law concerning: (A) the director and environmental law judges of the office of environmental adjudication; (B) the director and employees of the state library and the historical bureau; (C) the director of the state commission on public records; (D) veterans' home personnel; (E) a superintendent of a state owned or operated correctional facility; (F) employees of the protection and advocacy service commission; (G) the director, administrative law judges, property managers, and employees of the department of natural resources; (H) the state veterinarian and employees of the board of animal health; (I) employees of the state department of health; (J) the superintendent of the school for the blind and visually impaired; (K) the superintendent of the school for the deaf; (L) employees of the department of labor; (M) employees of the civil rights commission; (N) the commissioner and employees of the department of insurance; (O) (Continued next page)

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Effective: July 1, 2012.

Davis

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

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Digest Continued

employees of the department of financial institutions; (P) the state lottery commission; (Q) the victim services division of the criminal justice institute; and (R) the appointment of assistants to administer welfare activities in the county offices of the division of family resources. (4) Provides that the executive director of the arts commission is the commission's appointing authority. (5) Provides that the director and employees of the state library and the historical bureau are not subject to board approval for appointment and removal. (6) Removes restrictions on political activity by employees of the state library, historical bureau, department of transportation, and department of natural resources. (7) Removes the requirement for political party balance in hiring at the law enforcement training academy, the department of state revenue, the state police department, state board of accounts, and the department of natural resources. (8) Provides that the director of the criminal justice institute is the institute's appointing authority. (9) Removes a reference to public retirement system employee classifications covered by a labor agreement. (10) Eliminates a term of office for the director of the state commission on public records, and provides that the director is the commission's appointing authority. (11) Repeals unique personnel provisions for employees of the department of transportation. (12) Provides that the appointment of employees of the department of veterans' affairs is not subject to approval by the veterans' affairs commission. (13) Repeals obsolete transitional provisions concerning employees of predecessor agencies of the department of homeland security, state board of health, and department of workforce development. (14) Repeals provisions concerning salary schedules and contracts for teachers employed by the department of correction, state institutions, special institutions administered by the state department of health, school for the blind and visually impaired, and school for the deaf. (15) Repeals an obsolete provision concerning the compensation of district foresters and natural science managers. (16) Repeals a provision requiring the restoration of an individual who served as commissioner of labor to the same or similar position the individual held before the individual's service. (17) Provides that the commissioner of the department of insurance is the department's appointing authority. (18) Makes technical corrections and conforming amendments.

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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. 1207

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

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

- 1 SECTION 1. IC 3-9-2-13 IS REPEALED [EFFECTIVE JULY 1,
2 2012]. ~~Sec. 13: An individual may not solicit or receive a contribution~~
3 ~~in violation of the following statutes:~~
- 4 (1) IC 4-23-7-3.5 (Indiana Library and Historical Department);
 - 5 (2) IC 4-23-7.1-38 (Indiana State Library);
 - 6 (3) IC 4-23-7.2-17 (Indiana Historical Bureau);
 - 7 (4) IC 8-23-2-3 (Indiana Department of Transportation);
 - 8 (5) IC 14-9-7-1 and IC 14-10-3-10 (Department of Natural
9 Resources);
- 10 SECTION 2. IC 4-12-1-13, AS AMENDED BY P.L.2-2007,
11 SECTION 28, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
12 JULY 1, 2012]: Sec. 13. (a) During the interval between sessions of the
13 general assembly, the budget agency shall make regular or, at the
14 request of the governor, special inspections of the respective
15 institutions of the state supported by public funds. The budget agency

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1 shall report regularly to the governor relative to the physical condition
 2 of such institutions, and any contemplated action of the institution on
 3 a new or important matter, and on any other subject which such agency
 4 may deem pertinent or on which the governor may require information.
 5 The budget agency shall likewise familiarize itself with the best and
 6 approved practices in each of such institutions and supply such
 7 information to other institutions to make their operation more efficient
 8 and economical.

9 (b) Except as to officers and employees of state educational
 10 institutions, the executive secretary of the governor, the administrative
 11 assistants to the governor, the elected officials, and persons whose
 12 salaries or compensation are fixed by the governor pursuant to law, the
 13 annual compensation of all persons employed by agencies of the state
 14 shall be subject to the approval of the budget agency. Except as
 15 otherwise provided by ~~IC 4-15-1.8 and IC 4-15-2~~, **IC 4-15-2.2**, the
 16 budget agency shall establish classifications and schedules for fixing
 17 compensation, salaries and wages of all classes and types of employees
 18 of any state agency or state agencies, and any and all other such
 19 classifications affecting compensation as the budget agency shall deem
 20 necessary or desirable. The classifications and schedules thus
 21 established shall be filed in the office of the budget agency. Requests
 22 by an appointing authority for salary and wage adjustments or personal
 23 service payments coming within such classifications and schedules
 24 shall become effective when approved by, and upon the terms of
 25 approval fixed by, the budget agency. All personnel requests pertaining
 26 to the staffing of programs or agencies supported in whole or in part by
 27 federal funds are subject to review and approval by the state personnel
 28 department under ~~IC 4-15-1.8 and IC 4-15-2~~. **IC 4-15-2.2**.

29 (c) The budget agency shall review and approve, for the sufficiency
 30 of funds, all payments for personal services which are submitted to the
 31 auditor of state for payment.

32 (d) The budget agency shall review all contracts for personal
 33 services or other services and no contract for personal services or other
 34 services may be entered into by any agency of the state before the
 35 written approval of the budget agency is given. Each demand for
 36 payment submitted by an agency to the auditor of state under these
 37 contracts must be accompanied by a copy of the budget agency
 38 approval. No payment may be made by the auditor of state without
 39 such approval. However, this subsection does not apply to a contract
 40 entered into by:

- 41 (1) a state educational institution; or
- 42 (2) an agency of the state if the contract is not required to be

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1 approved by the budget agency under IC 4-13-2-14.1.

2 (e) The budget agency shall review and approve the policy and
3 procedures governing travel prepared by the department of
4 administration under IC 4-13-1, before the travel policies and
5 procedures are distributed.

6 (f) The budget agency is responsible for reviewing and advising the
7 governor, as chief executive of the state, or the governor's designee, as
8 to whether any agreement reached pursuant to public employee
9 collective bargaining as provided by statute, other than IC 20-29, is
10 within the money legally available to the state as an employer.

11 (g) The budget director, or the director's designee, may serve as a
12 member of the negotiating team selected to represent the state as an
13 employer in the public employee collective bargaining procedure
14 pursuant to statute, other than IC 20-29.

15 (h) (f) The budget agency may adopt such policies and procedures
16 not inconsistent with law as it may deem advisable to facilitate and
17 carry out the powers and duties of the agency, including the execution
18 and administration of all appropriations made by law. IC 4-22-2 does
19 not apply to these policies and procedures.

20 SECTION 3. IC 4-15-13-1 IS AMENDED TO READ AS
21 FOLLOWS [EFFECTIVE JULY 1, 2012]: Sec. 1. As used in this
22 chapter, "state agency" has the meaning set forth in ~~IC 4-15-1.8-1.~~
23 **IC 4-15-2.2-9.** However, the term includes the state police department.

24 SECTION 4. IC 4-15-16-1 IS REPEALED [EFFECTIVE JULY 1,
25 2012]. Sec. 1. ~~This chapter applies to an employee of a state agency,~~
26 ~~including an employee who is a party to:~~

27 (1) ~~a collective bargaining agreement entered into after June 30,~~
28 ~~2002, unless otherwise provided in the collective bargaining~~
29 ~~agreement; or~~

30 (2) ~~an employment contract with a state agency entered into after~~
31 ~~June 30, 2002, unless otherwise provided in the employment~~
32 ~~contract.~~

33 SECTION 5. IC 4-21.5-7-6, AS AMENDED BY P.L.99-2005,
34 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
35 JULY 1, 2012]: Sec. 6. (a) An environmental law judge hired after July
36 1, 1995, and the director must:

- 37 (1) be attorneys admitted to the bar of Indiana;
38 (2) have at least five (5) years of experience practicing
39 administrative or environmental law in Indiana;
40 (3) be independent of the department of environmental
41 management; and
42 (4) be subject to all provisions applicable to an administrative law

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1 judge under this article.
 2 ~~(b)~~ The director or an environmental law judge may be removed for
 3 cause under:
 4 ~~(1)~~ this article;
 5 ~~(2)~~ IC 4-15-2, through application of the standards for removal for
 6 cause of a person in the state service (as defined in
 7 IC 4-15-2-3.8); or
 8 ~~(3)~~ applicable provisions of the code of judicial conduct.
 9 ~~(c)~~ ~~(b)~~ The director may appoint a special environmental law judge.
 10 The special environmental law judge must meet the requirements of
 11 subsection (a).

12 SECTION 6. IC 4-23-2-3 IS AMENDED TO READ AS FOLLOWS
 13 [EFFECTIVE JULY 1, 2012]: Sec. 3. In furtherance of its purposes and
 14 duties, the commission shall have, and may exercise, the following
 15 powers:

16 ~~(a)~~ ~~(1)~~ To employ an executive director. ~~and such clerical and~~
 17 ~~other employees as may be necessary to carry out its duties;~~
 18 ~~(b)~~ ~~(2)~~ To adopt, promulgate, amend and rescind such rules and
 19 regulations not inconsistent with the provisions of this chapter as
 20 it may deem necessary, acting in accordance with the provisions
 21 of IC 4-22-2.
 22 ~~(c)~~ ~~(3)~~ To hold public hearings.
 23 ~~(d)~~ ~~(4)~~ To enter into contracts, within the limit of funds available
 24 therefor, with individuals, organizations and institutions for
 25 services furthering the objectives of the commission's programs.
 26 ~~(e)~~ ~~(5)~~ To enter into contracts, within the limit of funds available
 27 therefor, with local and regional not-for-profit corporations or
 28 associations for cooperative endeavors furthering the objectives
 29 of the commission's program.
 30 ~~(f)~~ ~~(6)~~ To accept gifts, contributions and bequests of funds from
 31 individuals, foundations, corporations, limited liability
 32 companies, and other organizations or institutions.
 33 ~~(g)~~ ~~(7)~~ To apply for, receive and disburse any funds available
 34 from the state or federal government in furtherance of the
 35 objectives of this chapter and to enter into any agreements which
 36 may be required by the state or federal government as a condition
 37 of obtaining such funds.
 38 ~~(h)~~ ~~(8)~~ To make and sign any agreements and to do and perform
 39 any acts that may be necessary to carry out its purposes and
 40 duties.

41 SECTION 7. IC 4-23-7-3.5 IS REPEALED [EFFECTIVE JULY 1,
 42 2012]. Sec. 3:5. No member of the library and historical board nor any

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1 director or other employee of the department shall directly or indirectly
 2 solicit subscription or contribution for any political party or political
 3 purpose; or be forced in any way to make such contribution; or be
 4 required to participate in any form of political activity.

5 SECTION 8. IC 4-23-7.1-37 IS AMENDED TO READ AS
 6 FOLLOWS [EFFECTIVE JULY 1, 2012]: Sec. 37. (a) The board shall
 7 appoint a director to be the chief administrative officer of the state
 8 library.

9 (b) To qualify for the position of director, a person must:

- 10 (1) be a graduate of a college or university of recognized
 11 standing;
 12 (2) have had special training in the technique and organization of
 13 library service;
 14 (3) possess such other qualifications as the board, in its discretion,
 15 may deem necessary.

16 (c) The director may be removed by the board at any time for cause.

17 SECTION 9. IC 4-23-7.1-38 IS REPEALED [EFFECTIVE JULY
 18 1, 2012]. Sec. 38. (a) All state library employees, except the director,
 19 shall be selected by the director with the approval of the board and may
 20 be removed by the director for cause at any time with the approval of
 21 the board.

22 (b) In making selections for employment recognition shall be given
 23 to the fact that all certified librarians are under the Library Certification
 24 Act and that other staff personnel are under IC 4-15-2.

25 (c) Any or all of the state library employees must have had such
 26 academic preparation and special training for the work which they are
 27 required to perform as may be prescribed in rules promulgated by the
 28 board.

29 (d) The board may provide that appointments may be made only
 30 after the applicant has successfully passed an examination given by the
 31 board or some person designated by the board.

32 (e) No employee of the state library may directly or indirectly solicit
 33 subscription or contribution for any political party or political purpose;
 34 or be forced in any way to make such contribution; or be required to
 35 participate in any form of political activity.

36 (f) The state budget agency shall fix the compensation of the
 37 director. The director shall fix the compensation of the employees of
 38 the state library with the approval of the board and the state budget
 39 agency.

40 SECTION 10. IC 4-23-7.2-16 IS AMENDED TO READ AS
 41 FOLLOWS [EFFECTIVE JULY 1, 2012]: Sec. 16. (a) The board shall
 42 appoint a director to be the chief administrative officer of the historical

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- 1 bureau.
- 2 (b) To qualify for the position of director, a person must:
- 3 (1) be a graduate of a college or university of recognized
- 4 standing;
- 5 (2) have had special training in the nature, relative value and use
- 6 of historical source material;
- 7 (3) have had special training in the editing of historical
- 8 publications; and
- 9 (4) possess such other qualifications as the board, in its discretion,
- 10 may deem necessary.
- 11 ~~(c) The director may be removed by the board at any time for cause.~~
- 12 SECTION 11. IC 4-23-7.2-17 IS REPEALED [EFFECTIVE JULY
- 13 1, 2012]. Sec. 17. (a) All historical bureau employees, except the
- 14 director, shall be selected by the director with the approval of the board
- 15 and may be removed by the director for cause at any time with the
- 16 approval of the board.
- 17 (b) Any or all of the historical bureau employees must have had
- 18 such academic preparation and special training for the work which they
- 19 are required to perform as may be prescribed in rules promulgated by
- 20 the board.
- 21 (c) The board may provide that appointments may be made only
- 22 after the applicant has successfully passed an examination given by the
- 23 board or some person designated by the board.
- 24 (d) The state budget agency shall fix the compensation of the
- 25 director. The director shall fix the compensation of the employees of
- 26 the historical bureau, with the approval of the board and the state
- 27 budget agency.
- 28 (e) No employee of the historical bureau may directly or indirectly
- 29 solicit subscription or contribution for any political party or political
- 30 purpose, or be forced in any way to make such contribution, or be
- 31 required to participate in any form of political activity.
- 32 (f) All historical bureau employees are under IC 4-15-2.
- 33 SECTION 12. IC 4-30-3-14 IS AMENDED TO READ AS
- 34 FOLLOWS [EFFECTIVE JULY 1, 2012]: Sec. 14. The commission
- 35 shall establish and maintain a personnel program for its employees.
- 36 Employees of the commission serve at the pleasure of the director and
- 37 are subject to suspension, dismissal, reduction in pay, demotion,
- 38 transfer, or other personnel action at the discretion of the director.
- 39 Employees of the commission are not merit system employees under
- 40 IC 4-15-2. Except as provided in IC 4-30-6, employees may not be
- 41 hired or fired on the basis of political affiliation.
- 42 SECTION 13. IC 5-2-1-14, AS AMENDED BY P.L.1-2006,

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1 SECTION 89, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 2 JULY 1, 2012]: Sec. 14. There is hereby created the position of
 3 executive director of the law enforcement training board. The executive
 4 director shall be selected by the board and the executive director's
 5 tenure of office shall be protected by a four (4) year, renewable
 6 contract of employment which may be terminated earlier by the board
 7 only for inefficiency, incompetence, neglect of duty, or other good
 8 cause after having been accorded a hearing by the board upon
 9 reasonable notice of the charge being made against the executive
 10 director. A vote of at least eleven (11) members of the board shall be
 11 necessary for the early termination of said contract of employment. The
 12 executive director shall be selected on the basis of education, training,
 13 and experience and shall have at least ten (10) years experience as an
 14 active law enforcement officer, at least five (5) years of which shall
 15 have been in an executive or administrative capacity. The executive
 16 director shall perform such duties as may be assigned by the board and
 17 shall be the chief administrative officer of the law enforcement
 18 academy. The salary and compensation for the executive director, the
 19 training staff, and employees shall be fixed by the board with the
 20 approval of the governor. The executive director shall establish a table
 21 of organization to be supplemented with job descriptions for each
 22 position subordinate to that of the executive director, all of which shall
 23 be subject to the approval of the board. All persons hired to fill such
 24 approved vacancies shall be selected on the basis of qualifications and
 25 merit based on training, education, and experience. ~~through~~
 26 ~~competitive examinations except that the filling of all new positions~~
 27 ~~shall be made so as to maintain in each equivalent position not more~~
 28 ~~than one-half (1/2) of members of either of the two (2) major political~~
 29 ~~parties.~~ Employees and members of the training staff shall not be
 30 subject to discharge, demotion, or suspension because of political
 31 affiliation, but may be discharged, demoted, or suspended only for
 32 cause after charges preferred in writing by the executive director. Any
 33 person so discharged or disciplined shall have a right to a hearing
 34 before the board if such person requests a hearing by giving notice to
 35 the executive director within fifteen (15) days after receiving written
 36 notice of discharge or disciplinary action. Procedures shall be
 37 consistent with IC 4-21.5.

38 SECTION 14. IC 5-2-6-5, AS AMENDED BY P.L.3-2008,
 39 SECTION 19, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 40 JULY 1, 2012]: Sec. 5. (a) The institute is composed of:

- 41 (1) the trustees; and
- 42 (2) a research and information consortium.

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- 1 (b) The trustees shall:
- 2 (1) evaluate and disseminate to the public information concerning
- 3 the cost and effectiveness of the criminal and juvenile justice
- 4 systems;
- 5 (2) promote coordination and cooperation for the effective
- 6 administration of the criminal and juvenile justice systems;
- 7 (3) establish plans for the criminal and juvenile justice systems
- 8 and make recommendations concerning the implementation of
- 9 these plans;
- 10 (4) encourage and assist in the organization of an academic
- 11 consortium for the purpose of engaging in research;
- 12 (5) receive, expend, and account for state funds made available
- 13 for the purposes of this chapter;
- 14 (6) apply for and accept gifts and grants (which must be
- 15 administered as public funds) made for the purposes of this
- 16 chapter;
- 17 (7) enter into lawful agreements as required as a condition for
- 18 receiving gifts, grants, or other funds for the purposes of this
- 19 chapter;
- 20 (8) employ a director; ~~(or directors of divisions) and any~~
- 21 ~~necessary staff;~~
- 22 (9) adopt rules, under IC 4-22-2, necessary to carry out the
- 23 purposes of this chapter; and
- 24 (10) promulgate guidelines concerning participation in the
- 25 research and information consortium.
- 26 (c) The research and information consortium is composed of state
- 27 educational institutions that are engaged in criminal or juvenile justice
- 28 research under the direction of the trustees. A state or local
- 29 governmental entity may participate in the consortium. The consortium
- 30 shall act as an advisory body to the institute and perform other related
- 31 functions as requested by the trustees.
- 32 (d) The trustees shall meet quarterly and at such times as called by
- 33 the chairman. A majority of the trustees constitutes a quorum for doing
- 34 business. A majority vote of the trustees is required for passage of any
- 35 matter put to a vote. The trustees shall establish procedures and
- 36 requirements with respect to the place and conduct of their meetings.
- 37 (e) A trustee is not entitled to the minimum salary per diem as
- 38 provided in IC 4-10-11-2.1(b) while performing the trustee's duties. A
- 39 trustee is entitled to reimbursement for traveling expenses and other
- 40 expenses actually incurred in connection with the trustee's duties, as
- 41 provided in the state travel policies and procedures established by the
- 42 department of administration and approved by the state budget agency.

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1 SECTION 15. IC 5-2-6.1-24 IS AMENDED TO READ AS
 2 FOLLOWS [EFFECTIVE JULY 1, 2012]: Sec. 24. ~~(a)~~ The division
 3 shall employ sufficient hearing officers to review each application for
 4 an award to carry out this chapter.

5 ~~(b)~~ Hearing officers must have at least three (3) semesters of legal
 6 training at an accredited law school or have equivalent training and
 7 experience under standards prescribed by the director.

8 SECTION 16. IC 5-10.5-2-4, AS ADDED BY P.L.23-2011,
 9 SECTION 22, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 10 JULY 1, 2012]: Sec. 4. For purposes of IC 34-13-2, IC 34-13-3, and
 11 IC 34-13-4, the board, the system, and all employees of the board or the
 12 system are public employees (as defined in IC 34-6-2-38). ~~All~~
 13 ~~employees of the board or a fund administered by the board who are~~
 14 ~~employed within a classification covered by a labor agreement to which~~
 15 ~~the state is a party shall continue to remain subject to the terms and~~
 16 ~~conditions of that agreement and any successor labor agreements~~
 17 ~~entered into by the state.~~

18 SECTION 17. IC 5-11-1-8 IS AMENDED TO READ AS
 19 FOLLOWS [EFFECTIVE JULY 1, 2012]: Sec. 8. ~~Such field examiners~~
 20 ~~shall be appointed from applicants who shall have successfully passed~~
 21 ~~an open, competitive examination for testing their fitness for~~
 22 ~~appointment. Such examinations shall be given under the direction of~~
 23 ~~the board after due announcement in the public press, and shall be~~
 24 ~~practical in their character, and, as far as may be, shall relate to those~~
 25 ~~matters which will fairly test the relative capacity and fitness of the~~
 26 ~~persons examined to discharge the duties of the office. All~~
 27 ~~appointments of field examiners shall be made solely upon the ground~~
 28 ~~of fitness and without regard to the political affiliation of the appointee.~~
 29 ~~excepting that no more than one-half (1/2) of the number of field~~
 30 ~~examiners employed at any one (1) time shall belong to any one (1)~~
 31 ~~political party. The state board of accounts is empowered to make and~~
 32 ~~establish, and from time to time alter and amend, by-laws, rules and~~
 33 ~~regulations for the proper enforcement of the provisions of this article~~
 34 ~~and other laws placing duties and responsibilities on the state board of~~
 35 ~~accounts.~~

36 SECTION 18. IC 5-15-5.1-4 IS AMENDED TO READ AS
 37 FOLLOWS [EFFECTIVE JULY 1, 2012]: Sec. 4. (a) The governor
 38 shall appoint a director as the executive head of the commission. The
 39 director must be versed in the principles of information and forms
 40 management, archives, and the affairs and organization of state
 41 government. ~~The director shall serve a term of four (4) years. However,~~
 42 ~~the director may be removed for cause by the governor. It is the intent~~



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1 of the general assembly that the director be a person who is qualified
2 by training and experience to administer the affairs of the commission.
3 ~~and that the director's tenure of office is limited only by the director's~~
4 ~~ability and the proper performance of the director's duties.~~

5 (b) The director, subject to the approval of the governor and the
6 budget agency, shall appoint such staff as necessary to implement this
7 chapter.

8 (c) The salary of the director is subject to the approval of the
9 governor and the budget agency. Salaries of the staff are subject to the
10 approval of the state personnel department and the budget agency. The
11 provisions of ~~IC 4-15-2~~ IC 4-15-2.2 apply to the staff of the
12 commission.

13 SECTION 19. IC 6-8.1-2-2 IS AMENDED TO READ AS
14 FOLLOWS [EFFECTIVE JULY 1, 2012]: Sec. 2. The department is
15 under the control of the governor, who shall appoint or employ the
16 commissioner. ~~and such other persons that he considers necessary.~~

17 SECTION 20. IC 6-8.1-3-2.2 IS AMENDED TO READ AS
18 FOLLOWS [EFFECTIVE JULY 1, 2012]: Sec. 2.2. (a) This section
19 does not:

- 20 (1) apply to an otherwise lawful investigation concerning
- 21 organized crime activities; or
- 22 (2) prohibit, restrict, or prevent the exchange of information if a
- 23 person is being investigated for multiple violations of IC 6-2.5
- 24 (state gross retail and use taxes).

25 (b) As used in this section, "investigation" means an oral or written
26 inquiry directed to a person, organization, or governmental entity.

27 (c) As used in this section, "surveillance" means the monitoring of
28 a person, place, or event by:

- 29 (1) electronic interception;
- 30 (2) overt or covert observations;
- 31 (3) photography; or
- 32 (4) the use of informants.

33 (d) The commissioner or an employee of the department may not
34 knowingly authorize, require, or conduct:

- 35 (1) an investigation; or
- 36 (2) a surveillance;

37 unless the purpose of the investigation or surveillance is reasonably
38 related to the administration of a listed tax.

39 ~~(e) A person who violates this section may be disciplined under~~
40 ~~IC 4-15-2.~~

41 SECTION 21. IC 6-8.1-4-3 IS AMENDED TO READ AS
42 FOLLOWS [EFFECTIVE JULY 1, 2012]: Sec. 3. (a) The requirements

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1 of this section are subject to the discretion of the commissioner as set
2 forth in section 1 of this chapter.

3 (b) The commissioner shall assign an adequate number of personnel
4 to the divisions created by this chapter to perform their required
5 functions. All auditors and tax examiners who are assigned to these
6 divisions must have passed an open, competitive, and practical
7 examination which tests their fitness for and knowledge of the area in
8 which they will be working. The department shall give the
9 examinations at stated periods during the year after making
10 announcements of the examinations through the news media. In
11 addition, the commissioner, to the best of the commissioner's ability,
12 and without impairing the quality of the divisions' staff, must assign the
13 personnel so that no more than one-half (1/2) of the personnel are
14 members of the same political party.

15 (c) The commissioner shall appoint a separate administrator and a
16 deputy administrator to administer the operation of the division of
17 audit. The administrator and the deputy administrator must have
18 different political affiliations. However, the administrator and deputy
19 administrator of the division of audit must each have at least five (5)
20 years of audit experience and must each have met the examination
21 qualifications required of all division of audit employees.

22 (d) This subsection applies to the division of audit. The
23 commissioner shall divide the state into not more than twelve (12)
24 audit districts. The commissioner may appoint district managers to
25 manage one (1) or more of those audit districts. Each district manager
26 must be proficient in auditing the various listed taxes, must have at
27 least five (5) years of audit experience, and must have met the
28 examination qualifications required of all division of audit employees.

29 (e) The commissioner shall appoint an administrator and two (2)
30 deputy administrators to administer the operation of the special tax
31 division. The two (2) deputy administrators must have different
32 political affiliations. The administrator of the special tax division shall
33 assign and supervise staff to perform the division's audit function in
34 each of the districts prescribed by subsection (d).

35 (f) The commissioner may appoint persons from the division of
36 audit or the special tax division to the position of senior field auditor
37 when those persons have demonstrated a proficiency in auditing the
38 various taxes administered by their respective division. Senior field
39 auditors shall be primarily responsible for audits done on a statewide
40 basis or for audits done out of the state and shall also perform such
41 other duties as the commissioner requests. Before a person may be
42 appointed as a senior field auditor, the person must either:

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- 1 (1) have at least five (5) years of audit experience in the division;
- 2 (2) be a certified public accountant; or
- 3 (3) have performed duties similar to those of a senior field auditor
- 4 for the federal government or another state for a period of at least
- 5 ten (10) years.

6 The state personnel department shall establish and the budget agency
 7 shall approve an adequate number of senior field auditor positions to
 8 perform the functions required under this subsection.

9 (g) No employee of the divisions created by this chapter may be
 10 required to perform any political activity as a condition for getting or
 11 keeping the employee's position or as a condition for receiving
 12 promotions or salary increases.

13 (h) The commissioner and the budget agency shall set the
 14 compensation for the staff provided by this chapter.

15 SECTION 22. IC 8-3-1.5-2 IS AMENDED TO READ AS
 16 FOLLOWS [EFFECTIVE JULY 1, 2012]: Sec. 2. The department is
 17 hereby authorized to exercise those powers necessary for the state to
 18 qualify for rail service continuation subsidies pursuant to the provisions
 19 of the federal Regional Rail Reorganization Act of 1973, including
 20 authority:

21 (a) to establish a state plan for rail transportation and local rail
 22 services;

23 (b) to administer and coordinate the state plan;

24 (c) to provide in the plan for the equitable distribution of federal rail
 25 service continuation subsidies among state, local, and regional
 26 transportation authorities;

27 (d) to promote, supervise, and support safe, adequate, and efficient
 28 rail services;

29 (e) to employ sufficient trained and qualified personnel for these
 30 purposes; ~~subject to IC 8-23-2-3;~~

31 (f) to maintain adequate programs of investigation, research,
 32 promotion, and development in connection with such purposes and to
 33 provide for public participation therein;

34 (g) to provide satisfactory assurances on behalf of the State that
 35 such fiscal control and fund accounting procedures will be adopted by
 36 the State as may be necessary to assure proper disbursement of and
 37 account for federal funds paid to the State as rail service continuation
 38 subsidies;

39 (h) to comply with the regulations of the Secretary of Transportation
 40 of the United States Department of Transportation affecting federal rail
 41 service continuation programs; and

42 (i) to do all things otherwise necessary to maximize federal

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1 assistance to the State under Title IV of the Federal Regional Rail
2 Reorganization Act of 1973.

3 SECTION 23. IC 8-23-2-3 IS REPEALED [EFFECTIVE JULY 1,
4 2012]. Sec. 3: (a) The department may hire qualified individuals to
5 carry out its responsibilities subject to the budget agency's approval
6 under IC 4-12-1-13 and may prescribe their terms and conditions of
7 employment subject to this section:

8 (b) All employees of the department whose duties require
9 specialized knowledge or skill, acquired by professional or technical
10 education, training, and experience:

11 (1) shall be employed solely on the basis of ability, taking into
12 account their qualifications to perform the duties of their
13 positions;

14 (2) shall be employed regardless of political affiliation;

15 (3) may not be appointed, promoted, reduced, removed, or in any
16 way favored or discriminated against because of their political
17 affiliation, race, religion, color, sex, national origin, or ancestry;

18 (4) are ineligible to hold, or be a candidate for, elected office (as
19 defined in IC 3-5-2-17) while employed by the department, except
20 as provided in subsection (h);

21 (5) may not solicit or receive political contributions;

22 (6) may not be required to make contributions for or participate
23 in political activities;

24 (7) shall be employed on a six (6) month probationary period;
25 with a written evaluation prepared after five (5) months of service
26 by their immediate supervisor for the commissioner to determine
27 if employment should continue beyond the probationary period;
28 and

29 (8) shall be evaluated annually in writing by their immediate
30 supervisor for the purpose of advising the commissioner as to
31 whether the employees should remain in their positions.

32 (c) Highway district managers are and subdistrict superintendents
33 are not subject to subsection (b). A person may not be employed by the
34 department as a highway subdistrict superintendent unless the person
35 has received training or experience in maintaining or constructing
36 roads, highways, and bridges. Highway subdistrict superintendents
37 shall devote full time to the performance of their duties. Highway
38 district managers serve at the pleasure of the commissioner but upon
39 reassignment shall be retained in a position of equal or higher job
40 classification within the department. However, the employee may elect
41 to serve in the next lower job classification within the same district.

42 (d) The appointment or dismissal of the chief highway engineer for



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1 the department is at the discretion of the commissioner. The chief
 2 highway engineer must be a registered professional engineer and must
 3 be a graduate civil engineer or have at least ten (10) years of
 4 experience in highway engineering.

5 (e) All employees of the department are subject to IC 4-15-1.8 and
 6 the rules that implement IC 4-15-1.8.

7 (f) Subject to this section:

8 (1) all employees of the department are subject to demotion;
 9 discipline, dismissal, or transfer at the discretion of the
 10 commissioner; and

11 (2) cause for demotion, dismissal, discipline, or transfer may
 12 include but is not limited to failure to satisfactorily effectuate the
 13 department's transportation plan and work programs.

14 (g) The commissioner may:

15 (1) require an employee or agent of the department to execute and
 16 furnish a bond conditioned upon the faithful discharge and
 17 performance of the duties of the employee or agent and the
 18 accurate accounting of public funds that come into the employee's
 19 or agent's control or custody; and

20 (2) prescribe an oath of employment for an employee or agent of
 21 the department.

22 (h) Employees described in subsection (b) may:

23 (1) be candidates for:

24 (A) school board office (as defined in IC 3-5-2-45); or

25 (B) precinct committeeman or state convention delegate;

26 and serve in that office if elected; and

27 (2) be appointed to an office described in subdivision (1) and
 28 serve in that office if appointed.

29 SECTION 24. IC 10-11-2-12 IS AMENDED TO READ AS
 30 FOLLOWS [EFFECTIVE JULY 1, 2012]: Sec. 12. (a) The
 31 superintendent:

32 (1) with the approval of the board;

33 (2) within the limits of any appropriation made available for the
 34 purpose; and

35 (3) subject to section 14 of this chapter;

36 shall appoint personnel to the ranks, grades, and positions of the
 37 department that the superintendent considers necessary for the efficient
 38 administration of the department.

39 (b) The superintendent, consistent with prescribed standards and
 40 prerequisites, shall make appointments to the ranks, grades, and
 41 positions of the department in a manner that creates and maintains in
 42 the ranks, grades, and positions personnel not more than fifty percent

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(50%) of whom belong to any one (1) political party. If any of the ranks, grades, or positions contains personnel more than fifty percent (50%) of whom belong to any one (1) political party, a person who belongs to the party containing more than fifty percent (50%) of the personnel may not be appointed or promoted to the rank, grade, or position if the condition exists:

(b) The superintendent shall:

(1) devise and administer examinations designed to test applicants; in the qualifications required for each rank, grade, or position; and

(2) appoint only those applicants who best meet the prescribed standards and prerequisites.

(c) An employee appointed to the department is on probation for one (1) year from the date of appointment. The board may extend the employee's probationary status for cause for a period of not more than one (1) additional year.

(d) An employee may:

(1) be a candidate for elected office or a political party office if permitted under 5 U.S.C. 1502 and serve in that office if elected;

(2) be appointed to or selected for a pro tempore appointment to any office and serve in that office if appointed or selected; and

(3) if the employee is not on duty, solicit votes and campaign funds and challenge voters for the office for which the person is a candidate.

An employee may serve in a part-time local elected office. However, service in a part-time local elected office must be in accordance with IC 4-2-6 and the rules and employee policies of the department. If elected to other than a part-time local elected office, the employee or appointee shall resign as an employee or appointee before assuming elected office.

SECTION 25. IC 10-17-1-6, AS AMENDED BY P.L.144-2007, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2012]: Sec. 6. (a) The director of veterans' affairs:

(1) is the executive and administrative head of the Indiana department of veterans' affairs; and

(2) shall direct and supervise the administrative and technical activities of the department;

subject to the general supervision of the commission.

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

(1) To attend all meetings of the commission and to act as secretary and keep minutes of the commission's proceedings.

(2) To appoint by and with the consent of the commission, under

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1 this chapter, and notwithstanding IC 4-15-2, the employees of the
2 department necessary to carry out this chapter and to fix the
3 compensation of the employees. Employees of the department
4 must qualify for the job concerned.

5 (3) To carry out the program for veterans' affairs as directed by
6 the governor and the commission.

7 (4) To carry on field direction, inspection, and coordination of
8 county and city service officers as provided in this chapter.

9 (5) To prepare and conduct service officer training schools with
10 the voluntary aid and assistance of the service staffs of the major
11 veterans' organizations.

12 (6) To maintain an information bulletin service to county and city
13 service officers for the necessary dissemination of material
14 pertaining to all phases of veterans' rehabilitation and service
15 work.

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

18 (8) To perform the duties described in IC 10-17-12 for the
19 military family relief fund.

20 (9) To establish a program and set guidelines under which a
21 medal of honor awardee may receive compensation when
22 attending and participating in official ceremonies.

23 SECTION 26. IC 10-17-9-6 IS REPEALED [EFFECTIVE JULY 1,
24 2012]. Sec. 6. The superintendent may remove or suspend an employee
25 appointed by the superintendent of the Indiana Veterans' Home only for
26 cause and subject to the state personnel act under IC 4-15-2.

27 SECTION 27. IC 10-19-6-4 IS REPEALED [EFFECTIVE JULY 1,
28 2012]. Sec. 4. (a) On July 1, 1990, the employees of the state
29 emergency management agency established under IC 10-8-2-1 (before
30 its repeal; later codified at IC 10-14-2-1, (before its repeal)) shall
31 initially be composed of the employees of the department of civil
32 defense created under IC 10-4-1-5(a) (before its repeal) and the Indiana
33 emergency medical services commission created under IC 16-1-39-3
34 (before its repeal) who are employed on June 30, 1990, by those two
35 (2) agencies:

36 (b) An employee of the department of civil defense who is
37 transferred to the state emergency management agency under
38 subsection (a) is entitled to have the employee's service under the
39 department of civil defense included for the purpose of computing:

- 40 (1) retention points under IC 4-15-2-32 in the event of a layoff;
- 41 and
- 42 (2) all other applicable employment benefits.

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1 SECTION 28. IC 11-8-2-7, AS AMENDED BY P.L.47-2008,
 2 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 3 JULY 1, 2012]: Sec. 7. (a) The commissioner shall determine which
 4 state owned or operated correctional facilities are to be maintained for
 5 criminal offenders and which are to be maintained for delinquent
 6 offenders.

7 (b) The commissioner shall determine which state owned or
 8 operated correctional facilities need, for effective management,
 9 administration by a superintendent. The commissioner shall appoint a
 10 superintendent for each correctional facility. However, the
 11 commissioner may appoint a person as superintendent of two (2) or
 12 more facilities if the commissioner finds that it would be economical
 13 to do so and would not adversely effect the management of the
 14 facilities.

15 (c) Except as provided in subsection (d), a superintendent must hold
 16 at least a bachelor's degree from an accredited college or university.

17 (d) If a superintendent does not hold at least a bachelor's degree
 18 from an accredited college or university, the superintendent must have
 19 at least ten (10) years of experience in public safety work.

20 (e) In addition to the requirements described in subsections (c) and
 21 (d), a superintendent must have held a management position in
 22 correctional or related work for a minimum of five (5) years. A
 23 superintendent is entitled to a salary to be determined by the budget
 24 agency with the approval of the governor. ~~A superintendent may be
 25 dismissed for cause by the commissioner.~~

26 (f) If a superintendent position becomes vacant, the commissioner
 27 may appoint an acting superintendent to discharge the duties and
 28 powers of a superintendent on a temporary basis.

29 SECTION 29. IC 11-8-2-8, AS AMENDED BY P.L.246-2005,
 30 SECTION 94, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 31 JULY 1, 2012]: Sec. 8. ~~(a) All officers and employees of the
 32 department, members of the parole board, the commissioner, any
 33 deputy commissioner, and any superintendent, are within the scope of
 34 IC 4-15-2.~~

35 ~~(b) IC 11-10-5 applies to teachers employed under that chapter,
 36 notwithstanding IC 4-15-2.~~

37 ~~(c) (a)~~ (a) The department shall cooperate with the state personnel
 38 department in establishing minimum qualification standards for
 39 employees of the department and in establishing a system of personnel
 40 recruitment, selection, employment, and distribution.

41 ~~(d) (b)~~ (b) The department shall conduct training programs designed to
 42 equip employees for duty in its facilities and programs and raise their



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1 level of performance. Training programs conducted by the department
2 need not be limited to inservice training. They may include
3 preemployment training, internship programs, and scholarship
4 programs in cooperation with appropriate agencies. When funds are
5 appropriated, the department may provide educational stipends or
6 tuition reimbursement in such amounts and under such conditions as
7 may be determined by the department and the personnel ~~division~~
8 **department.**

9 (e) (c) The department shall conduct a training program on cultural
10 diversity awareness that must be a required course for each employee
11 of the department who has contact with incarcerated persons.

12 (f) (d) The department shall provide six (6) hours of training to
13 employees who interact with persons with mental illness, addictive
14 disorders, mental retardation, and developmental disabilities
15 concerning the interaction, to be taught by persons approved by the
16 secretary of family and social services, using teaching methods
17 approved by the secretary of family and social services and the
18 commissioner. The commissioner or the commissioner's designee may
19 credit hours of substantially similar training received by an employee
20 toward the required six (6) hours of training.

21 (g) (e) The department shall establish a correctional officer training
22 program with a curriculum, and administration by agencies, to be
23 determined by the commissioner. A certificate of completion shall be
24 issued to any person satisfactorily completing the training program. A
25 certificate may also be issued to any person who has received training
26 in another jurisdiction if the commissioner determines that the training
27 was at least equivalent to the training program maintained under this
28 subsection.

29 SECTION 30. IC 11-9-1-1 IS AMENDED TO READ AS
30 FOLLOWS [EFFECTIVE JULY 1, 2012]: Sec. 1. (a) There is
31 established, as a division of the department, the parole board,
32 consisting of five (5) members appointed by the governor, not more
33 than three (3) of whom may be affiliated with the same political party.
34 Members are appointed for a term of four (4) years. A vacancy
35 occurring before the expiration of a term shall be filled by the governor
36 for the remainder of the term. In the event of a temporary inability to
37 act of any member, the governor may appoint a person qualified under
38 this section to act in his place during the continuance of the inability.
39 Members may be reappointed. ~~They may be removed by the governor
40 for cause after an opportunity to be heard by the governor upon due
41 notice.~~

42 (b) To qualify for membership a person must:

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- 1 (1) hold at least a bachelor's degree from an accredited college or
- 2 university; or
- 3 (2) have at least ten (10) years of law enforcement experience;
- 4 and must have the skill, training, or experience to analyze questions of
- 5 law, administration, and public policy. Members shall devote full time
- 6 to their duties, and are entitled to a salary to be determined by the state
- 7 budget agency with the approval of the governor. The governor shall
- 8 designate one (1) of the members to serve as chairman.

9 SECTION 31. IC 11-10-5-4 IS REPEALED [EFFECTIVE JULY 1,
 10 2012]. Sec. 4: (a) All teachers employed by the department are subject
 11 to all provisions of law concerning the minimum salary of teachers and
 12 membership in any teachers' retirement fund plan. The commissioner
 13 or the commissioner's designated representative shall annually
 14 determine the salary schedule of the largest school corporation of the
 15 county in which each correctional institution is located:

16 (b) Except as provided in subsections (c) through (f), from the
 17 information described in subsection (a), the commissioner shall
 18 prescribe, subject to approval by the state personnel department and the
 19 budget agency; a salary schedule for each correctional institution; using
 20 a daily rate of pay for each teacher; which must be equal to that of the
 21 largest school corporation in the county in which the correctional
 22 institution is located:

23 (c) The commissioner shall prescribe the terms of the annual
 24 contract awarded to licensed teachers qualifying for payment under the
 25 schedule established under subsection (b):

26 (d) Hours of work for all teachers shall be set in accordance with
 27 IC 4-15-2:

28 (e) If the school corporation in which the correctional institution is
 29 located becomes the largest school corporation in the county in which
 30 the correctional institution is located; the daily rate of pay for each
 31 teacher must be equal to that of the school corporation in which the
 32 correctional institution is located without regard to whether the school
 33 corporation in which the correctional institution is located remains the
 34 largest school corporation in the county:

35 (f) Using a daily rate of pay for each teacher; the salary schedule for
 36 each correctional institution located in a county having a population of:

- 37 (1) more than seventeen thousand (17,000) but less than
- 38 seventeen thousand five hundred (17,500); or
- 39 (2) more than one hundred thousand (100,000) but less than one
- 40 hundred five thousand (105,000);

41 must be equal to that of the school corporation in which the
 42 correctional institution is located:

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1 SECTION 32. IC 12-19-1-7, AS AMENDED BY P.L.44-2009,
 2 SECTION 18, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 3 JULY 1, 2012]: Sec. 7. (a) The county director shall appoint ~~from~~
 4 ~~eligible lists established by the state personnel department~~ the number
 5 of assistants necessary to administer the welfare activities within the
 6 county that are administered by the division under IC 12-13 through
 7 IC 12-19 or by an administrative rule, with the approval of the director
 8 of the division.

9 (b) The division, for personnel performing activities described in
 10 subsection (a), shall determine the compensation of the assistants
 11 within the salary ranges of the pay plan adopted by the state personnel
 12 department and approved by the budget agency, with the advice of the
 13 budget committee, and within lawfully established appropriations.

14 SECTION 33. IC 12-24-3-4 IS REPEALED [EFFECTIVE JULY 1,
 15 2012]. Sec. 4. (a) Each year the director shall set a salary schedule for
 16 each of the educational systems established in a state institution as
 17 provided in subsections (b) and (c):

18 (b) The director shall set a salary schedule by using a daily rate of
 19 pay for each teacher that equals the rate of pay of the largest school
 20 corporation in the county in which the state institution is located. If the
 21 school corporation in which the state institution is located becomes the
 22 largest school corporation in the county in which the state institution
 23 is located, the daily rate of pay for each teacher must equal that of the
 24 school corporation in which the institution is located, without regard to
 25 whether the school corporation in which the state institution is located
 26 remains the largest school corporation in the county.

27 (c) The salary schedule set by the director is subject to the approval
 28 of the state personnel department and the budget agency.

29 (d) The director shall prescribe the terms of the annual contract. The
 30 prescribed annual contract shall be awarded to licensed teachers
 31 qualified for payment under the salary schedule prescribed under this
 32 section. The director shall advise the budget agency and the governor
 33 of this action.

34 (e) Hours of work for all teachers shall be set in accordance with
 35 ~~IC 4-15-2.~~

36 SECTION 34. IC 12-28-1-12, AS AMENDED BY P.L.99-2007,
 37 SECTION 135, IS AMENDED TO READ AS FOLLOWS
 38 [EFFECTIVE JULY 1, 2012]: Sec. 12. Notwithstanding IC 4-6-2, the
 39 commission has the following powers, duties, and functions:

- 40 (1) Establish and maintain all necessary offices.
- 41 (2) ~~Subject to IC 4-15-2:~~
- 42 (A) appoint;

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- 1 ~~(B)~~ fix the compensation for; and
- 2 ~~(C)~~ prescribe the duties of;
- 3 the attorneys, other employees, and agents the commission
- 4 considers necessary.
- 5 ~~(3)~~ (2) Provide legal and other advocacy services throughout
- 6 Indiana to individuals or organizations on matters related to the
- 7 protection of the legal and human rights of individuals with a
- 8 developmental disability, individuals with a mental illness, and
- 9 individuals who are seeking or receiving vocational rehabilitation
- 10 services.
- 11 ~~(4)~~ (3) Enter into contractual relationships and sue and be sued in
- 12 the name of the services.
- 13 ~~(5)~~ (4) Apply for, solicit, and accept contributions or grants of
- 14 money, property, or services made by gift, devise, bequest, grant,
- 15 or other means from any source that the commission considers
- 16 best to assist the services in performing its purpose.
- 17 ~~(6)~~ (5) Provide information and referral services.
- 18 ~~(7)~~ (6) Adopt rules under IC 4-22-2 to do the following:
- 19 (A) Establish and operate local protection and advocacy
- 20 service units.
- 21 (B) Operate the service.
- 22 (C) Perform the commission's duties.
- 23 ~~(8)~~ (7) Ensure full participation in the electoral process in
- 24 individuals with disabilities, including registering to vote, casting
- 25 a vote, and accessing polling places, in accordance with 42 U.S.C.
- 26 15461 through 15462.

27 SECTION 35. IC 14-9-2-1 IS AMENDED TO READ AS
 28 FOLLOWS [EFFECTIVE JULY 1, 2012]: Sec. 1. (a) The office of
 29 director of the department is created. The governor shall appoint the
 30 director, who serves at the pleasure of the governor. The director is the
 31 executive and chief administrative officer of the department.

32 (b) The director is entitled to compensation in an amount to be fixed
 33 by the Indiana department of administration with the approval of the
 34 governor.

35 SECTION 36. IC 14-9-7-1 IS REPEALED [EFFECTIVE JULY 1,
 36 2012]. Sec. 1. (a) Because the functions and duties of the department
 37 are largely technical in nature and require specialized knowledge,
 38 training, and experience for proper performance, the employees of the
 39 department designated by the state personnel department as
 40 professional or technical shall, except as otherwise expressly provided
 41 in this article, be employed solely on the basis of the qualifications of
 42 the employees to perform the required duties. Political, religious, racial,

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1 and fraternal affiliations may not be a consideration in personnel
2 actions affecting the employees:

3 (b) Adequate provisions shall be made to assure that employees
4 selected possess the knowledge and ability and can satisfy the
5 minimum education and experience requirements as defined in the
6 class specifications for the positions:

7 (c) An employee under this policy may not:

8 (1) hold political office while employed by the department;

9 (2) solicit or receive money for political purposes; or

10 (3) be required to make contributions for or participate in political
11 activities:

12 (d) An applicant for a position may not be required to declare a
13 political, religious, racial, or fraternal affiliation:

14 SECTION 37. IC 14-9-7-2 IS AMENDED TO READ AS
15 FOLLOWS [EFFECTIVE JULY 1, 2012]: Sec. 2. The department shall
16 do the following:

17 (1) Coordinate the administration of the policy described in
18 section 1 of this chapter with the state personnel department.

19 (2) develop the necessary procedures to ensure that the required
20 knowledge, ability, education, and experience qualifications are
21 met by the employees of the department.

22 SECTION 38. IC 14-9-7-4 IS REPEALED [EFFECTIVE JULY 1,
23 2012]. Sec. 4: (a) Directors of divisions; and all assistants, inspectors;
24 and employees shall be chosen solely for fitness for the position;
25 professional or practical; as the nature of the position requires and
26 irrespective of political beliefs or affiliations. Fitness may be
27 determined by examination or otherwise; as the commission
28 determines:

29 (b) Directors, assistants, inspectors, and employees are entitled to
30 receive a compensation to be determined by the commission; upon the
31 recommendation of the director and subject to the approval of the
32 governor:

33 SECTION 39. IC 14-9-7-5 IS REPEALED [EFFECTIVE JULY 1,
34 2012]. Sec. 5: (a) This section applies only to salaries paid for pay
35 periods beginning after June 30, 2008:

36 (b) As used in this section, "district forester" means any position on
37 the state staffing table with a job code of "00HE2" and a description
38 of "Forester Specialist 2".

39 (c) As used in this section, "natural sciences manager" means any
40 position on the state staffing table with a job code of "00ENS7" and a
41 description of "Natural Sciences Manager E7".

42 (d) As used in this section, "state staffing table" means a position

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1 classification plan and salary and wage schedule adopted by the state
 2 personnel department (established by IC 4-15-1.8-2) under
 3 IC 4-15-1.8-7.

4 (e) For pay periods beginning after June 30, 2008, the state
 5 personnel department shall equalize the salary and wage schedules for
 6 the positions of district forester and natural sciences manager so that
 7 both positions share the higher of the two (2) wage and salary
 8 schedules for these positions existing on April 1, 2008. For pay periods
 9 beginning after June 30, 2008, the department shall increase the wages
 10 and salaries of all district foresters and natural sciences managers to
 11 bring the wages and salaries into conformity with the salary and wage
 12 schedules required by this section.

13 SECTION 40. IC 14-9-8-8 IS AMENDED TO READ AS
 14 FOLLOWS [EFFECTIVE JULY 1, 2012]: Sec. 8. The division director
 15 shall, with the approval of the director, recommend to the governor the
 16 appointment of **appoint** personnel to the ranks, grades, and positions
 17 within the division. All appointments must meet the following
 18 conditions:

19 (1) Be consistent with the prescribed standards and prerequisites
 20 of the division.

21 (2) Be made to the ranks, grades, and positions of the division in
 22 a manner that creates and maintains, as near as possible in the
 23 ranks, grades, and positions, a personnel force of which not more
 24 than fifty percent (50%) are members of one (1) political party. If
 25 any of the ranks, grades, or positions contain at any time more
 26 than fifty percent (50%) who are members of one (1) political
 27 party, a member of that party may not be appointed or promoted
 28 to that rank, grade, or position as long as that condition exists.

29 SECTION 41. IC 14-10-2-2, AS AMENDED BY P.L.99-2005,
 30 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 31 JULY 1, 2012]: Sec. 2. (a) The commission shall appoint
 32 administrative law judges. An administrative law judge

33 (1) is subject to IC 4-15-2; and

34 (2) may be removed for cause under:

35 (A) IC 4-21-5;

36 (B) IC 4-15-2, through application of the standards for removal
 37 for cause of a person in the state service; (as defined in
 38 IC 4-15-2-3.8); or

39 (C) applicable provisions of the code of judicial conduct.

40 (b) The commission shall create a division of hearings. The division
 41 of hearings shall assist the commission in performing the functions of
 42 this section. The director of the division of hearings may appoint a

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1 special administrative law judge.

2 (c) A person who is not appointed by:

3 (1) the director of the division of hearings; or

4 (2) the commission;

5 may not act as an administrative law judge.

6 SECTION 42. IC 14-10-3-6 IS REPEALED [EFFECTIVE JULY 1,
7 2012]. Sec. 6. The commission may choose an individual for
8 employment for a probationary period of one (1) year:

9 SECTION 43. IC 14-10-3-7 IS REPEALED [EFFECTIVE JULY 1,
10 2012]. Sec. 7. At the end of the one (1) year period, the division
11 director shall recommend to the commission that the individual be:

12 (1) permanently appointed;

13 (2) retained on probation for an additional period of not more than
14 one (1) year; or

15 (3) terminated:

16 SECTION 44. IC 14-10-3-8 IS REPEALED [EFFECTIVE JULY 1,
17 2012]. Sec. 8. The director of the department may, under IC 4-21.5-3-4,
18 terminate the employment of an individual who is employed by the
19 division for any of the following reasons:

20 (1) Dishonesty:

21 (2) Incompetence:

22 (3) Insubordination:

23 (4) Repeated unbecoming conduct.

24 SECTION 45. IC 14-10-3-9 IS REPEALED [EFFECTIVE JULY 1,
25 2012]. Sec. 9. An individual who is terminated, demoted, or suspended
26 from employment under this chapter may take administrative review to
27 the commission under IC 4-21.5.

28 SECTION 46. IC 14-10-3-10 IS AMENDED TO READ AS
29 FOLLOWS [EFFECTIVE JULY 1, 2012]: Sec. 10. An individual
30 employed under this chapter may not

31 (1) be required to declare the individual's political, religious, or
32 fraternal affiliations.

33 (2) solicit or receive money for political purposes; or

34 (3) participate in any other political activity.

35 SECTION 47. IC 15-17-4-13 IS REPEALED [EFFECTIVE JULY
36 1, 2012]. Sec. 13. (a) The state veterinarian and any other nonmerit
37 employee may be removed for cause by a majority vote of the entire
38 membership of the board:

39 (b) If the board votes to remove a nonmerit employee, that employee
40 must be notified of that decision in writing. Before the removal of a
41 nonmerit employee becomes effective, the employee has ten (10) days
42 after receiving written notification to make a written request for a

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1 public hearing regarding the removal. However, the board is not
 2 required to hold a hearing unless requested to do so by the nonmerit
 3 employee. If a request for a hearing is not made, the removal is
 4 effective upon the expiration of the ten (10) day period. If a request for
 5 a hearing is made, a public hearing shall be held at the office of the
 6 board not later than ten (10) days after the request is received by the
 7 board, and the employee may not be removed until after the hearing has
 8 been held and the board has made a decision.

9 (c) A merit employee may be removed under IC 4-15-2.

10 SECTION 48. IC 16-19-1-4 IS REPEALED [EFFECTIVE JULY 1,
 11 2012]. Sec: 4: Employees of the division of services for crippled
 12 children of the state department of public welfare who are employed on
 13 June 30, 1990, and who become employees of the state board of health
 14 under P.L.344-1989 are entitled to have their service under the division
 15 of services for crippled children of the state department of public
 16 welfare included for the purposes of computing:

17 (1) retention points under IC 4-15-2-32 in the event of a layoff;
 18 and

19 (2) all other applicable employment and retirement benefits.

20 SECTION 49. IC 16-19-4-7 IS REPEALED [EFFECTIVE JULY 1,
 21 2012]. Sec: 7: The state health commissioner shall appoint, subject to
 22 IC 4-15-2, all employees of the state department, and fix the salaries of
 23 all employees of the state department, subject to the confirmation of the
 24 executive board.

25 SECTION 50. IC 16-19-6-7 IS REPEALED [EFFECTIVE JULY 1,
 26 2012]. Sec: 7: (a) The state health commissioner shall annually review
 27 the salary schedules of the largest school corporation of the county in
 28 which each special institution placed under the control of the
 29 administrative unit is located to determine the salary schedule of that
 30 school corporation.

31 (b) Except as provided in subsection (c), the state health
 32 commissioner shall, following the annual review in subsection (a);
 33 prescribe, subject to approval by the state personnel department and the
 34 budget agency, a salary schedule for each special institution described
 35 in subsection (a); using a daily rate of pay for each teacher, which must
 36 be equal to that of the largest school corporation in the county in which
 37 the institution is located.

38 (c) The state health commissioner shall prescribe the terms of the
 39 annual contract awarded to licensed teachers qualifying for payment
 40 under this schedule.

41 (d) The state health commissioner shall advise the budget agency
 42 and the governor of the state health commissioner's action under this

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1 section. Hours of work for all teachers shall be set in accordance with
2 IC 4-15-2.

3 (e) If the school corporation in which the special institution is
4 located becomes the largest school corporation in the county in which
5 the special institution is located; the daily rate of pay for each teacher
6 must be equal to that of the school corporation in which the special
7 institution is located; without regard to whether the school corporation
8 in which the special institution is located remains the largest school
9 corporation in the county.

10 SECTION 51. IC 20-21-2-4, AS ADDED BY P.L.218-2005,
11 SECTION 53, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
12 JULY 1, 2012]: Sec. 4. (a) The board shall appoint the chief executive
13 officer, subject to the approval of the governor. The executive serves
14 at the pleasure of the board. ~~and may be removed for cause.~~

- 15 (b) The executive appointee must have the following qualifications:
- 16 (1) Be an educator with knowledge, skill, and ability in the
- 17 appointee's profession.
- 18 (2) Have at least five (5) years experience in instruction of
- 19 students with visual impairment disabilities.
- 20 (3) Have a master's degree or a higher degree.
- 21 (4) Meet the qualifications for an Indiana teacher's certificate in
- 22 the area of visual impairment disabilities.
- 23 (5) Have at least five (5) years experience supervising other
- 24 individuals.

25 SECTION 52. IC 20-21-4-3 IS REPEALED [EFFECTIVE JULY 1,
26 2012]. Sec. 3. (a) The board shall prescribe, subject to the approval of
27 the state personnel department and the budget agency, a salary
28 schedule for the school; using a daily rate of pay for each teacher that
29 must be equal to that of the largest school corporation in the county in
30 which the school is located.

31 (b) The board shall prescribe the terms of the annual contract
32 awarded to licensed teachers qualifying for payment under the salary
33 schedule as described in subsection (a):

34 (c) The hours of work for all teachers shall be set in accordance with
35 IC 4-15-2.

36 (d) Each teacher accrues vacation leave and holidays in accordance
37 with the vacation leave and holiday policy of the largest school
38 corporation in the county in which the school is located. A teacher is
39 not eligible for additional vacation leave or holidays set for state
40 employees under IC 1-1-9 or IC 4-15 or rules adopted to implement
41 these statutes.

42 SECTION 53. IC 20-22-2-4, AS ADDED BY P.L.218-2005,



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1 SECTION 62, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
2 JULY 1, 2012]: Sec. 4. (a) The board shall appoint the chief executive
3 officer, subject to the approval of the governor. The executive serves
4 at the pleasure of the board. ~~and may be removed for cause.~~

5 (b) The executive appointee must have the following qualifications:

6 (1) Be an educator with knowledge, skill, and ability in the
7 appointee's profession.

8 (2) Have at least five (5) years experience in instruction of
9 students with hearing impairment disabilities.

10 (3) Have a master's degree or a higher degree.

11 (4) Meet the qualifications for an Indiana teacher's certificate in
12 the area of hearing impairment disabilities.

13 (5) Have at least five (5) years experience supervising other
14 individuals.

15 SECTION 54. IC 20-22-4-3 IS REPEALED [EFFECTIVE JULY 1,
16 2012]. Sec. 3: (a) ~~The board shall prescribe, subject to the approval of
17 the state personnel department and the budget agency, a salary
18 schedule for the school, using a daily rate of pay for each teacher, that
19 must be equal to that of the largest school corporation in the county in
20 which the school is located.~~

21 (b) ~~The board shall prescribe the terms of the annual contract
22 awarded to licensed teachers qualifying for payment under the salary
23 schedule as described in subsection (a).~~

24 (c) ~~The hours of work for all teachers shall be set in accordance with
25 IC 4-15-2.~~

26 (d) ~~Each teacher accrues vacation leave and holidays in accordance
27 with the vacation leave and holiday policy of the largest school
28 corporation in the county in which the school is located. A teacher is
29 not eligible for additional vacation leave or holidays set for state
30 employees under IC 1-1-9 or IC 4-15 or rules adopted to implement
31 these statutes.~~

32 SECTION 55. IC 22-1-1-2 IS AMENDED TO READ AS
33 FOLLOWS [EFFECTIVE JULY 1, 2012]: Sec. 2. (a) The
34 commissioner of labor shall be appointed by the governor ~~for a term
35 not to exceed four (4) years and shall serve at the will of the governor.
36 and The commissioner serves until his the commissioner's successor
37 shall have been is appointed and shall have qualified. Any vacancy in
38 the office of commissioner of labor shall be filled by appointment by
39 the governor for the unexpired term.~~

40 (b) The commissioner of labor:

41 (1) shall be the administrative and executive officer of the
42 department of labor;

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- 1 (2) shall supervise and direct the work of the department;
- 2 (3) shall have immediate charge of the administration and
- 3 enforcement of all the laws and rules that the department is
- 4 required by law to enforce and administer;
- 5 (4) shall have general charge of all inspections and investigations;
- 6 and
- 7 (5) shall perform such other duties as may be prescribed in this
- 8 chapter.
- 9 (c) The commissioner shall adopt and use an official seal for the
- 10 authentication of the orders and records of the department.
- 11 (d) Before entering upon the discharge of his official duties, the
- 12 commissioner shall:
- 13 (1) execute a bond, payable to the state in such amount and with
- 14 such sureties as shall be approved by the governor, conditioned
- 15 for the faithful discharge of his **the commissioner's** official
- 16 duties; and
- 17 (2) take and subscribe an oath, which shall be endorsed upon his
- 18 **the commissioner's** official bond;
- 19 and the bond and oath when so executed shall be filed in the office of
- 20 the secretary of state.
- 21 (e) The commissioner is authorized and directed to classify and fix
- 22 the minimum standards for the personnel of the department and to
- 23 formulate salary schedules with the approval of the governor for the
- 24 services so classified.
- 25 SECTION 56. IC 22-1-1-2.5 IS REPEALED [EFFECTIVE JULY
- 26 1, 2012]. Sec. 2.5: (a) Any individual appointed commissioner of labor
- 27 who:
- 28 (1) in order to perform the duties of office has left or leaves a
- 29 position or employment; other than a temporary position or
- 30 employment; in the employ of any employer;
- 31 (2) is still qualified to perform the duties of employment; and
- 32 (3) makes application for reemployment within ten (10) days after
- 33 the expiration of the term of office or after removal from office;
- 34 shall be restored by the employer to the position or employment at not
- 35 less than the same pay or to a similar position or employment and pay
- 36 unless the employer's circumstances have so changed as to make it
- 37 impossible or unreasonable to do so. When the commissioner is
- 38 restored to employment, it shall be done without discrimination; nor
- 39 shall the commissioner be caused to suffer inconvenience or any other
- 40 adverse action by the employer; as a result of any action taken while
- 41 serving as commissioner.
- 42 (b) Any individual who is restored to a position or employment

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1 under this chapter shall be considered as having been on leave of
 2 absence during the period of service as commissioner of labor and is
 3 entitled to participate in insurance or other benefits offered by the
 4 employer pursuant to established rules and practices relating to
 5 employees on leave of absence in effect with the employer.

6 (c) Any individual who is a member of a labor organization who is
 7 appointed commissioner of labor shall be considered for all purposes
 8 as being on leave of absence during the period of service as
 9 commissioner of labor.

10 (d) In case any employer or labor organization fails or refuses to
 11 comply with this chapter, the judge of the circuit court of the circuit in
 12 which the employer maintains a place of business shall have power,
 13 upon the filing of an appropriate pleading by the individual entitled to
 14 the benefits of this chapter, to specifically require the employer or labor
 15 organization to comply with this chapter, and, as an incident thereto to
 16 compensate the individual for any loss of wages or benefits suffered by
 17 reason of the employer's or labor organization's unlawful action.

18 SECTION 57. IC 22-1-1.5-1 IS REPEALED [EFFECTIVE JULY
 19 1, 2012]. Sec. 1: All personnel excepting the Commissioner of Labor
 20 and his deputies shall be employed according to the provisions of the
 21 "State Personnel Act," the same being IC 1971, 4-15-2.

22 SECTION 58. IC 22-4-18-8 IS REPEALED [EFFECTIVE JULY 1,
 23 2012]. Sec. 8: (a) Employees of the office of occupational development
 24 and the employment security division who are employed on July 1,
 25 1987, remain as employees of the department of employment and
 26 training services created by P.L.18-1987. These employees shall be
 27 considered employees having permanent status for purposes of the state
 28 personnel act (IC 4-15-2).

29 (b) Employees of the office of occupational development who are
 30 employed on July 1, 1987, and who become employees of the
 31 department of employment and training services under this section are
 32 entitled to have their service under the office of occupational
 33 development included for the purpose of computing retention points
 34 under IC 4-15-2-32 in the event of a layoff.

35 SECTION 59. IC 22-9-1-6 IS AMENDED TO READ AS
 36 FOLLOWS [EFFECTIVE JULY 1, 2012]: Sec. 6. (a) The commission
 37 shall establish and maintain a permanent office in the city of
 38 Indianapolis.

39 (b) The commission may appoint such attorneys and other
 40 employees and agents as it considers necessary; fix their compensation
 41 within the limitation provided by law; and prescribe their duties. All
 42 these employees; with the exception of the executive director and

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1 attorneys, shall be appointed by the commission from eligible lists to
 2 be promulgated by the department of personnel as the result of a
 3 competitive examination held under IC 4-15-2 and rules of the
 4 department and on the basis of training, practical experience,
 5 education, and character. However, special consideration and due
 6 weight shall be given to the practical experience and training that a
 7 person may have for the particular position involved regardless of his
 8 academic training. Promotions, suspensions, and removal of persons
 9 appointed from such lists shall be in accordance with IC 4-15-2. The
 10 reasonable and necessary traveling expenses of each employee of the
 11 commission while actually engaged in the performance of duties in
 12 behalf of the commission shall be paid in accordance with the state
 13 travel policies and procedures established by the Indiana department
 14 of administration and approved by the budget agency.

15 (e) (b) Except as it concerns judicial review, the commission may
 16 adopt rules under IC 4-22-2 to implement this chapter.

17 (f) (c) The commission shall formulate policies to effectuate the
 18 purposes of this chapter and make recommendations to agencies and
 19 officers of the state or local subdivisions thereof to effectuate such
 20 policies. The several departments, commissions, divisions, authorities,
 21 boards, bureaus, agencies, and officers of the state or any political
 22 subdivision or agency thereof shall furnish the commission, upon its
 23 request, all records, papers, and information in their possession relating
 24 to any matter before the commission.

25 (g) (d) The commission shall receive and investigate complaints
 26 alleging discriminatory practices. The commission shall not hold
 27 hearings in the absence of a complaint. All investigations of complaints
 28 shall be conducted by staff members of the civil rights commission or
 29 their agents.

30 (h) (e) The commission may create such advisory agencies and
 31 conciliation councils, local or statewide, as will aid in effectuating the
 32 purposes of this chapter. The commission may itself, or it may
 33 empower these agencies and councils to:

34 (1) study the problems of discrimination in the areas covered by
 35 section 2 of this chapter when based on race, religion, color, sex,
 36 handicap, national origin, or ancestry; and

37 (2) foster through community effort, or otherwise, good will
 38 among the groups and elements of the population of the state.

39 These agencies and councils may make recommendation to the
 40 commission for the development of policies and procedures in general.
 41 Advisory agencies and conciliation councils created by the commission
 42 shall be composed of representative citizens serving without pay, but



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1 with reimbursement for reasonable and necessary actual expenses.

2 ~~(e)~~ **(f)** The commission may issue such publications and such results
3 of investigations and research as in its judgment will tend to promote
4 good will and minimize or eliminate discrimination because of race,
5 religion, color, sex, handicap, national origin, or ancestry.

6 ~~(h)~~ **(g)** The commission shall prevent any person from discharging,
7 expelling, or otherwise discriminating against any other person because
8 ~~he~~ **the person** filed a complaint, testified in any hearing before this
9 commission, or in any way assisted the commission in any matter under
10 its investigation.

11 ~~(i)~~ **(h)** The commission may hold hearings, subpoena witnesses,
12 compel their attendance, administer oaths, take the testimony of any
13 person under oath, and require the production for examination of any
14 books and papers relating to any matter under investigation or in
15 question before the commission. The commission may make rules as
16 to the issuance of subpoenas by individual commissioners. Contumacy
17 or refusal to obey a subpoena issued under this section shall constitute
18 a contempt. All hearings shall be held within Indiana at a location
19 determined by the commission. A citation of contempt may be issued
20 upon application by the commission to the circuit or superior court in
21 the county in which the hearing is held or in which the witness resides
22 or transacts business.

23 ~~(j)~~ **(i)** The commission may appoint administrative law judges other
24 than commissioners, when an appointment is deemed necessary by a
25 majority of the commission. The administrative law judges shall be
26 members in good standing before the bar of Indiana and shall be
27 appointed by the chairman of the commission. An administrative law
28 judge appointed under this subsection shall have the same powers and
29 duties as a commissioner sitting as an administrative law judge.
30 However, the administrative law judge may not issue subpoenas.

31 ~~(k)~~ **(j)** The commission shall state its findings of fact after a hearing
32 and, if the commission finds a person has engaged in an unlawful
33 discriminatory practice, shall cause to be served on this person an order
34 requiring the person to cease and desist from the unlawful
35 discriminatory practice and requiring the person to take further
36 affirmative action as will effectuate the purposes of this chapter,
37 including but not limited to the power:

38 (A) to restore complainant's losses incurred as a result of
39 discriminatory treatment, as the commission may deem necessary
40 to assure justice; however, this specific provision when applied to
41 orders pertaining to employment shall include only wages, salary,
42 or commissions;



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1 (B) to require the posting of notice setting forth the public policy
2 of Indiana concerning civil rights and respondent's compliance
3 with the policy in places of public accommodations;

4 (C) to require proof of compliance to be filed by respondent at
5 periodic intervals; and

6 (D) to require a person who has been found to be in violation of
7 this chapter and who is licensed by a state agency authorized to
8 grant a license to show cause to the licensing agency why his
9 license should not be revoked or suspended.

10 ~~(h)~~ **(k)** Judicial review of a cease and desist order or other
11 affirmative action as referred to in this chapter may be obtained under
12 IC 22-9-8. If no proceeding to obtain judicial review is instituted within
13 thirty (30) days from receipt of notice by a person that an order has
14 been made by the commission, the commission, if it determines that the
15 person upon whom the cease and desist order has been served is not
16 complying or is making no effort to comply, may obtain a decree of a
17 court for the enforcement of the order in circuit or superior court upon
18 showing that the person is subject to the commission's jurisdiction and
19 resides or transacts business within the county in which the petition for
20 enforcement is brought.

21 ~~(m)~~ **(l)** If, upon all the evidence, the commission shall find that a
22 person has not engaged in any unlawful practice or violation of this
23 chapter, the commission shall state its findings of facts and shall issue
24 and cause to be served on the complainant an order dismissing the
25 complaint as to the person.

26 ~~(n)~~ **(m)** The commission may furnish technical assistance requested
27 by persons subject to this chapter to further compliance with this
28 chapter or with an order issued thereunder.

29 ~~(o)~~ **(n)** The commission shall promote the creation of local civil
30 rights agencies to cooperate with individuals, neighborhood
31 associations, and state, local, and other agencies, both public and
32 private, including agencies of the federal government and of other
33 states.

34 ~~(p)~~ **(o)** The commission may reduce the terms of conciliation agreed
35 to by the parties to writing (to be called a consent agreement) that the
36 parties and a majority of the commissioners shall sign. When signed,
37 the consent agreement shall have the same effect as a cease and desist
38 order issued under subsection ~~(k)~~: **(j)**. If the commission determines
39 that a party to the consent agreement is not complying with it, the
40 commission may obtain enforcement of the consent agreement in a
41 circuit or superior court upon showing that the party is not complying
42 with the consent agreement and the party is subject to the commission's

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1 jurisdiction and resides or transacts business within the county in
2 which the petition for enforcement is brought.

3 ~~(q)~~ **(p)** In lieu of investigating a complaint and holding a hearing
4 under this section, the commission may issue an order based on
5 findings and determinations by the federal Department of Housing and
6 Urban Development or the federal Equal Employment Opportunity
7 Commission concerning a complaint that has been filed with one (1) of
8 these federal agencies and with the commission. The commission shall
9 adopt by rule standards under which the commission may issue such an
10 order.

11 ~~(r)~~ **(q)** Upon notice that a complaint is the subject of an action in a
12 federal court, the commission shall immediately cease investigation of
13 the complaint and may not conduct hearings or issue findings of fact or
14 orders concerning that complaint.

15 SECTION 60. IC 22-9-1-17 IS AMENDED TO READ AS
16 FOLLOWS [EFFECTIVE JULY 1, 2012]: Sec. 17. (a) If a timely
17 election is made under section 16 of this chapter, the complainant may
18 file a civil action in a circuit or superior court having jurisdiction in the
19 county in which a discriminatory practice allegedly occurred.

20 (b) If the court finds that a discriminatory practice has occurred the
21 court may grant the relief allowed under ~~IC 22-9-1-6(k)~~.
22 **IC 22-9-1-6(j)**.

23 (c) A civil action filed under this section must be tried by the court
24 without benefit of a jury.

25 SECTION 61. IC 22-9-5-26 IS AMENDED TO READ AS
26 FOLLOWS [EFFECTIVE JULY 1, 2012]: Sec. 26. The remedies
27 available regarding complaints directed against a covered entity under
28 this chapter are limited to the remedies provided under ~~IC 22-9-1-6(k)~~.
29 **IC 22-9-1-6(j)**.

30 SECTION 62. IC 27-1-1-2 IS AMENDED TO READ AS
31 FOLLOWS [EFFECTIVE JULY 1, 2012]: Sec. 2. **(a)** The powers,
32 duties, management and control of the department of insurance are
33 hereby conferred on and vested in the "insurance commissioner". The
34 insurance commissioner shall be appointed by the governor, and shall
35 be familiar with and known to possess a knowledge of the subject of
36 insurance and be skilled in matters pertaining thereto and shall be
37 chosen solely for fitness, irrespective of his political beliefs or
38 affiliations. The commissioner shall serve and may be removed at the
39 pleasure of the governor, and shall be the chief executive and
40 administrative officer of the department. ~~The insurance commissioner~~
41 ~~shall receive an annual salary of eleven thousand five hundred dollars~~
42 ~~(\$11,500); which shall be in full of all services performed by him in~~



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1 ~~any capacity.~~ The commissioner shall take an oath of office and give
 2 bond in the sum of fifty thousand dollars (\$50,000) with surety to be
 3 approved by the governor for the faithful performance of his duties.

4 (b) The commissioner is authorized to attend and participate in the
 5 meetings of the national convention of insurance commissioners and
 6 of the committees thereof and ~~he~~ may require ~~such of his the~~ deputies,
 7 actuaries, and assistants ~~as he that the commissioner~~ may designate
 8 to attend and participate in such meetings. If ~~he the commissioner~~
 9 deems it advisable, ~~he the commissioner~~ may request the attorney
 10 general or a deputy attorney general to attend and participate in such
 11 meetings. ~~with him. He~~ **The commissioner** and ~~his the~~ deputies,
 12 actuaries, assistants, and attorneys ~~as aforesaid of the department of~~
 13 **insurance** shall aid in promoting improvements in the insurance laws
 14 and the uniformity thereof in the several states. The expense of such
 15 attendance by the commissioner, and ~~his the~~ deputies, actuaries,
 16 assistants, and attorneys ~~as aforesaid~~ shall be paid by the ~~state treasurer~~
 17 **treasurer of state** upon the warrant of the commissioner certifying
 18 ~~therein that he the commissioner~~ has examined and approved the
 19 charges for such expenses.

20 SECTION 63. IC 27-1-1-3 IS AMENDED TO READ AS
 21 FOLLOWS [EFFECTIVE JULY 1, 2012]: Sec. 3. The commissioner
 22 ~~with the approval of the governor~~ shall appoint a chief deputy, an
 23 actuary, a securities deputy, and such other deputies, examiners,
 24 assistants and other employees as may be necessary to carry on the
 25 work of the department. With respect to all of such positions, aptitude,
 26 previous training and experience, intelligence and moral and physical
 27 qualifications shall be carefully considered and such employees shall
 28 be chosen for their fitness, either professional or practical, as the nature
 29 of the position may require, irrespective of their political beliefs or
 30 affiliations; it being the responsibility of the commissioner to develop
 31 and maintain a highly trained and effective personnel within the
 32 insurance department. The actuary of the department shall have had at
 33 least five (5) years experience in a responsible actuarial position in a
 34 life or casualty insurance company, in consulting actuarial practice, or
 35 in a comparable actuarial position in a state or federal agency;
 36 however, only two (2) years experience of the type aforesaid shall be
 37 required (a) if the applicant is a fellow or associate of the society of
 38 actuaries or the casualty actuarial society, or (b) if said applicant has
 39 completed courses in actuarial mathematics or theory in an accredited
 40 college or university. The technical or professional qualifications of
 41 any applicant shall be determined by examination, professional rating
 42 or otherwise, as the commissioner ~~with the approval of the governor,~~

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1 shall determine. The securities deputy and any securities clerk shall
2 each give bond in the sum fixed by the governor, but not less than
3 twenty-five thousand dollars (\$25,000) surety, ~~with the approval of the~~
4 ~~governor~~; for the faithful performance of their duties.

5 SECTION 64. IC 27-1-1-4 IS REPEALED [EFFECTIVE JULY 1,
6 2012]. ~~Sec. 4. The annual salaries of personnel of the department, other~~
7 ~~than the commissioner, shall be fixed by the commissioner with~~
8 ~~approval of the governor and budget agency. The commissioner shall~~
9 ~~have the power at any time to terminate the services of any employee~~
10 ~~of the department for inefficiency, incompetency or neglect of or~~
11 ~~failure to perform his duties.~~

12 SECTION 65. IC 27-1-3-28, AS AMENDED BY P.L.234-2007,
13 SECTION 189, IS AMENDED TO READ AS FOLLOWS
14 [EFFECTIVE JULY 1, 2012]: Sec. 28. (a) The department of insurance
15 fund is established for the following purposes:

- 16 (1) To provide supplemental funding for the operations of the
- 17 department of insurance.
- 18 (2) To pay the costs of hiring and employing staff.
- 19 (3) ~~To provide staff salary differentials as necessary to equalize~~
- 20 ~~the average salaries and staffing levels of the department of~~
- 21 ~~insurance with the average salaries and staffing levels reported in~~
- 22 ~~the most recent Insurance Department Resources Report~~
- 23 ~~published by the National Association of Insurance~~
- 24 ~~Commissioners.~~
- 25 (4) (3) To enable the department of insurance to maintain
- 26 accreditation by the National Association of Insurance
- 27 Commissioners.
- 28 (5) (4) To carry out any other purpose determined necessary by
- 29 the department of insurance to carry out the department's duties
- 30 under this title.

31 (b) The fund shall be administered by the commissioner. The
32 following shall be deposited in the department of insurance fund:

- 33 (1) Audit fees remitted by insurers to the commissioner under
- 34 section 15(d) of this chapter.
- 35 (2) Filing fees remitted by insurers to the commissioner under
- 36 section 15(a) or 15(e) of this chapter.
- 37 (3) Any other amounts remitted to the commissioner or the
- 38 department that are required by rule or statute to be deposited into
- 39 the department of insurance fund.

40 (c) The expenses of administering the fund shall be paid from
41 money in the fund.

42 (d) The treasurer of state shall invest the money in the fund not

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1 currently needed to meet the obligations of the fund in the same
 2 manner as other public funds may be invested. Interest that accrues
 3 from these investments shall be deposited in the fund.

4 (e) Money in the fund at the end of a particular fiscal year does not
 5 revert to the state general fund.

6 (f) There is annually appropriated to the department of insurance,
 7 for the purposes set forth in subsection (a), the entire amount of money
 8 deposited in the fund in each year.

9 SECTION 66. IC 27-7-2-39 IS AMENDED TO READ AS
 10 FOLLOWS [EFFECTIVE JULY 1, 2012]: Sec. 39. The **governor**
 11 **commissioner** shall appoint such deputies, examiners, actuaries,
 12 assistants, and other employees in the department of insurance as may
 13 be found necessary to carry out the provisions of this chapter and fix
 14 the compensation thereof, subject to the approval of the state budget
 15 agency. There is hereby appropriated out of funds not otherwise
 16 appropriated in the general fund such sums as may be necessary to
 17 carry out the provisions of this chapter.

18 SECTION 67. IC 28-11-2-5 IS REPEALED [EFFECTIVE JULY 1,
 19 2012]. Sec. 5: (a) ~~An employee of the department may be discharged~~
 20 ~~at any time by the director for just cause:~~

21 ~~(b) An employee discharged under subsection (a) may request the~~
 22 ~~members to review the director's action. If an employee requests review~~
 23 ~~under this subsection, the members shall review the discharge. The~~
 24 ~~director shall not participate in the members' review under this~~
 25 ~~subsection:~~

26 ~~(c) If the members find that the discharge was not for just cause, the~~
 27 ~~employee shall be reinstated and given other appropriate relief by the~~
 28 ~~members:~~

29 SECTION 68. IC 35-51-4-1, AS ADDED BY P.L.70-2011,
 30 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 31 JULY 1, 2012]: Sec. 1. The following statutes define crimes in IC 4:

32 IC 4-1-10-8 (Concerning state agencies).

33 IC 4-1-10-9 (Concerning state agencies).

34 IC 4-2-6-13 (Concerning state officers).

35 IC 4-2-6-14 (Concerning state officers).

36 IC 4-2-7-8 (Concerning the inspector general).

37 IC 4-4-27-8 (Concerning the inspection of grain).

38 IC 4-11-1-6 (Concerning certain loans and mortgages).

39 IC 4-13-1.2-11 (Concerning the department of correction
 40 ombudsman).

41 IC 4-13-4.1-4 (Concerning the department of administration).

42 IC 4-13-19-11 (Concerning the department of child services)

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- 1 ombudsman).
- 2 IC 4-13.6-4-14 (Concerning state public works).
- 3 ~~IC 4-15-2-42 (Concerning state merit employment).~~
- 4 IC 4-15-10-4 (Concerning certain state employee reports).
- 5 IC 4-21.5-3-36 (Concerning administrative proceedings).
- 6 IC 4-21.5-3-37 (Concerning administrative proceedings).
- 7 IC 4-30-3-19 (Concerning the lottery).
- 8 IC 4-30-3-19.5 (Concerning the lottery).
- 9 IC 4-30-3-19.7 (Concerning the lottery).
- 10 IC 4-30-12-5 (Concerning the lottery).
- 11 IC 4-30-13-1 (Concerning the lottery).
- 12 IC 4-30-14-1 (Concerning the lottery).
- 13 IC 4-30-14-2 (Concerning the lottery).
- 14 IC 4-30-14-3 (Concerning the lottery).
- 15 IC 4-30-14-4 (Concerning the lottery).
- 16 IC 4-30-14-5 (Concerning the lottery).
- 17 IC 4-30-14-6 (Concerning the lottery).
- 18 IC 4-31-13-3 (Concerning horse racing).
- 19 IC 4-31-13-3.5 (Concerning horse racing).
- 20 IC 4-31-13-9 (Concerning ~~the lottery~~: **horse racing**).
- 21 IC 4-32.2-8-4 (Concerning charity gaming).
- 22 IC 4-33-10-1 (Concerning riverboat gambling).
- 23 IC 4-33-10-2 (Concerning riverboat gambling).
- 24 IC 4-33-10-2.1 (Concerning riverboat gambling).
- 25 IC 4-33-10-2.5 (Concerning riverboat gambling).
- 26 IC 4-33-22-14 (Concerning boxing and mixed martial arts).
- 27 IC 4-33-22-40 (Concerning boxing and mixed martial arts).
- 28 IC 4-35-9-2 (Concerning gambling games at racetracks).
- 29 IC 4-35-9-3 (Concerning gambling games at racetracks).
- 30 IC 4-35-9-4 (Concerning gambling games at racetracks).
- 31 IC 4-35-9-5 (Concerning gambling games at racetracks).
- 32 IC 4-36-6-5 (Concerning gambling in certain establishments).

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COMMITTEE REPORT

Mr. Speaker: Your Committee on Employment, Labor and Pensions, to which was referred House Bill 1207, 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 9, delete lines 18 through 36.

Re-number all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to HB 1207 as introduced.)

GUTWEIN, Chair

Committee Vote: yeas 5, nays 3.

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