

Adopted	Rejected
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## COMMITTEE REPORT

YES:	10
NO:	0

### MR. SPEAKER:

*Your Committee on Public Health, to which was referred Senate Bill 224, 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:*

- 1 Delete the title and insert the following:
- 2 A BILL FOR AN ACT to amend the Indiana Code concerning
- 3 health and human services.
- 4 Page 1, between the enacting clause and line 1, begin a new
- 5 paragraph and insert:
- 6 "SECTION 1. IC 12-11-1.1-1, AS AMENDED BY P.L.153-2011,
- 7 SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 8 JULY 1, 2012]: Sec. 1. (a) The bureau of developmental disabilities
- 9 services is established within the division.
- 10 (b) The bureau shall plan, coordinate, and administer the provision
- 11 of individualized, integrated community based services for individuals
- 12 with a developmental disability and their families, within the limits of
- 13 available resources. The planning and delivery of services must be
- 14 based on future plans of the individual with a developmental disability
- 15 rather than on traditional determinations of eligibility for discrete

1 services, with an emphasis on the preferences of the individual with a  
 2 developmental disability and that individual's family.

3 (c) Services for individuals with a developmental disability must be  
 4 services that meet the following conditions:

- 5 (1) Are provided under public supervision.
- 6 (2) Are designed to meet the developmental needs of individuals  
 7 with a developmental disability.
- 8 (3) Meet all required state and federal standards.
- 9 (4) Are provided by qualified personnel.
- 10 (5) To the extent appropriate, are provided in home and  
 11 community based settings in which individuals without  
 12 disabilities participate.
- 13 (6) Are provided in conformity with a service plan developed  
 14 under IC 12-11-2.1-2.

15 (d) The bureau shall approve entities to provide community based  
 16 services and supports **as follows:**

17 **(1) Beginning July 1, 2011, the bureau shall ensure that an entity**  
 18 **approved to provide day services, identified day habilitation,**  
 19 **including facility based or community based habilitation,**  
 20 **prevocational services, or ~~vocational~~ employment services under**  
 21 **home and community based services waivers is accredited by at**  
 22 **least one (1) of the following organizations:**

23 **(1) The Commission on Accreditation of Rehabilitation Facilities**  
 24 **(CARF); or its successor.**

25 **(2) The Council on Quality and Leadership In Supports for People**  
 26 **with Disabilities; or its successor.**

27 **(3) The Joint Commission on Accreditation of Healthcare**  
 28 **Organizations (JCAHO); or its successor.**

29 **(4) The National Committee for Quality Assurance; or its**  
 30 **successor.**

31 **(5) The ISO-9001 human services QA system.**

32 **(6) An independent national accreditation organization approved**  
 33 **by the secretary: an approved national accrediting body**  
 34 **described in subsection (j).**

35 **(2) Beginning July 1, 2012, the bureau shall ensure that an**  
 36 **entity approved to provide residential habilitation and**  
 37 **support services under home and community based services**  
 38 **wavers is accredited by an approved national accrediting**

1           **body. However, if an entity is accredited to provide home and**  
 2           **community based services under subdivision (1) other than**  
 3           **residential habitation and support services, the bureau may**  
 4           **extend the time that the entity has to comply with this**  
 5           **subdivision until the earlier of the following:**

6           **(A) The completion of the entity's next scheduled**  
 7           **accreditation survey.**

8           **(B) July 1, 2015.**

9           (e) **Subject to subsection (k)**, the bureau shall **initially** approve,  
 10          **reapprove**, and monitor community based residential, habilitation, and  
 11          ~~vocational~~ **employment** service providers that provide alternatives to  
 12          placement of individuals with a developmental disability in state  
 13          institutions and health facilities licensed under IC 16-28 for individuals  
 14          with a developmental disability. The services must simulate, to the  
 15          extent feasible, patterns and conditions of everyday life that are as  
 16          close as possible to normal. The community based service categories  
 17          include the following:

18           (1) Supervised group living programs, which serve at least four  
 19           (4) individuals and not more than eight (8) individuals, are funded  
 20           by Medicaid, and are licensed by the community residential  
 21           facilities council.

22           (2) Supported living service arrangements to meet the unique  
 23           needs of individuals in integrated settings. Supported living  
 24           service arrangements providing residential services may not serve  
 25           more than four (4) unrelated individuals in any one (1) setting.  
 26           However, the head of the bureau shall waive this limitation for a  
 27           setting providing residential services to more than four (4)  
 28           unrelated individuals in any one (1) setting if the setting was in  
 29           existence on June 30, 1999.

30           (f) To the extent that services described in subsection (e) are  
 31           available and meet the individual's needs, an individual is entitled to  
 32           receive services in the least restrictive environment possible.

33           (g) Community based services under subsection (e)(1) or (e)(2)  
 34           must consider the needs of and provide choices and options for:

35           (1) individuals with a developmental disability; and

36           (2) families of individuals with a developmental disability.

37           (h) The bureau shall administer a system of service coordination to  
 38           carry out this chapter.

1 (i) The bureau may issue orders under IC 4-21.5-3-6 against a  
 2 provider that violates rules issued by the bureau for programs in which  
 3 the provider is providing services in accordance with section 11 of this  
 4 chapter.

5 (j) For purposes of subsections (d) and (k), "approved national  
 6 accrediting body" means any of the following:

7 (1) The Commission on Accreditation of Rehabilitation  
 8 Facilities (CARF), or its successor.

9 (2) The Council on Quality and Leadership In Supports for  
 10 People with Disabilities, or its successor.

11 (3) The Joint Commission on Accreditation of Healthcare  
 12 Organizations (JCAHO), or its successor.

13 (4) The National Committee for Quality Assurance, or its  
 14 successor.

15 (5) The ISO-9001 human services QA system.

16 (6) The Council on Accreditation, or its successor.

17 (7) An independent national accreditation organization  
 18 approved by the secretary.

19 (k) An entity that is accredited by an approved national  
 20 accrediting body is not subject to reapproval surveys or routine  
 21 monitoring surveys by the division, bureau, or bureau of quality  
 22 improvement services, including any reapproval survey under a  
 23 home and community based services waiver. However, the bureau  
 24 may perform validation surveys and complaint investigations of an  
 25 entity accredited by an approved national accrediting body.

26 SECTION 2. IC 35-44-1-3, AS AMENDED BY P.L.110-2011,  
 27 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 28 JULY 1, 2012]: Sec. 3. (a) The following definitions apply throughout  
 29 this section:

30 (1) "Dependent" means any of the following:

31 (A) The spouse of a public servant.

32 (B) A child, stepchild, or adoptee (as defined in IC 31-9-2-2)  
 33 of a public servant who is:

34 (i) unemancipated; and

35 (ii) less than eighteen (18) years of age.

36 (C) An individual more than one-half (1/2) of whose support  
 37 is provided during a year by the public servant.

38 (2) "Governmental entity served by the public servant" means the

- 1 immediate governmental entity being served by a public servant.  
 2 (3) "Pecuniary interest" means an interest in a contract or  
 3 purchase if the contract or purchase will result or is intended to  
 4 result in an ascertainable increase in the income or net worth of:  
 5 (A) the public servant; or  
 6 (B) a dependent of the public servant who:  
 7 (i) is under the direct or indirect administrative control of  
 8 the public servant; or  
 9 (ii) receives a contract or purchase order that is reviewed,  
 10 approved, or directly or indirectly administered by the public  
 11 servant.  
 12 (b) A public servant who knowingly or intentionally:  
 13 (1) has a pecuniary interest in; or  
 14 (2) derives a profit from;  
 15 a contract or purchase connected with an action by the governmental  
 16 entity served by the public servant commits conflict of interest, a Class  
 17 D felony.  
 18 (c) It is not an offense under this section if:  
 19 (1) The public servant or the public servant's dependent receives  
 20 compensation through salary or an employment contract for:  
 21 (A) services provided as a public servant; or  
 22 (B) expenses incurred by the public servant as provided by  
 23 law.  
 24 (2) The public servant's interest in the contract or purchase and all  
 25 other contracts and purchases made by the governmental entity  
 26 during the twelve (12) months before the date of the contract or  
 27 purchase was two hundred fifty dollars (\$250) or less.  
 28 (3) The contract or purchase involves utility services from a utility  
 29 whose rate structure is regulated by the state or federal  
 30 government.  
 31 (4) The public servant:  
 32 (A) acts in only an advisory capacity for a state supported  
 33 college or university; and  
 34 (B) does not have authority to act on behalf of the college or  
 35 university in a matter involving a contract or purchase.  
 36 (5) A public servant under the jurisdiction of the state ethics  
 37 commission (as provided in IC 4-2-6-2.5) obtains from the state  
 38 ethics commission, following full and truthful disclosure, written

1 approval that the public servant will not or does not have a  
 2 conflict of interest in connection with the contract or purchase  
 3 under IC 4-2-6 and this section. The approval required under this  
 4 subdivision must be:

5 (A) granted to the public servant before action is taken in  
 6 connection with the contract or purchase by the governmental  
 7 entity served; or

8 (B) sought by the public servant as soon after the contract or  
 9 purchase as the public servant becomes aware of the facts that  
 10 give rise to a question of conflict of interest.

11 (6) A public servant who makes a disclosure that meets the  
 12 requirements of subsection (d) or (e) and is:

13 (A) not a member or on the staff of the governing body  
 14 empowered to contract or purchase on behalf of the  
 15 governmental entity, and functions and performs duties for the  
 16 governmental entity unrelated to the contract or purchase;

17 (B) appointed by an elected public servant;

18 (C) employed by the governing body of a school corporation  
 19 and the contract or purchase involves the employment of a  
 20 dependent or the payment of fees to a dependent;

21 (D) elected; or

22 (E) a member of, or a person appointed by, the board of  
 23 trustees of a state supported college or university.

24 (7) The public servant is:

25 (A) a member of the governing board of; **or**

26 (B) **a physician employed or contracted by;**

27 a hospital organized or operated under IC 16-22-1 through  
 28 IC 16-22-5 or IC 16-23-1.

29 (d) A disclosure must:

30 (1) be in writing;

31 (2) describe the contract or purchase to be made by the  
 32 governmental entity;

33 (3) describe the pecuniary interest that the public servant has in  
 34 the contract or purchase;

35 (4) be affirmed under penalty of perjury;

36 (5) be submitted to the governmental entity and be accepted by  
 37 the governmental entity in a public meeting of the governmental  
 38 entity before final action on the contract or purchase;

1 (6) be filed within fifteen (15) days after final action on the  
2 contract or purchase with:

- 3 (A) the state board of accounts; and  
4 (B) if the governmental entity is a governmental entity other  
5 than the state or a state supported college or university, the  
6 clerk of the circuit court in the county where the governmental  
7 entity takes final action on the contract or purchase; and  
8 (7) contain, if the public servant is appointed, the written approval  
9 of the elected public servant (if any) or the board of trustees of a  
10 state supported college or university (if any) that appointed the  
11 public servant.

12 (e) This subsection applies only to a person who is a member of, or  
13 a person appointed by, the board of trustees of a state supported college  
14 or university. A person to whom this subsection applies complies with  
15 the disclosure requirements of this chapter with respect to the person's  
16 pecuniary interest in a particular type of contract or purchase which is  
17 made on a regular basis from a particular vendor if the individual files  
18 with the state board of accounts and the board of trustees a statement  
19 of pecuniary interest in that particular type of contract or purchase  
20 made with that particular vendor. The statement required by this  
21 subsection must be made on an annual basis.

22 SECTION 3. IC 36-1-11-1, AS AMENDED BY P.L.2-2006,  
23 SECTION 188, IS AMENDED TO READ AS FOLLOWS  
24 [EFFECTIVE JULY 1, 2012]: Sec. 1. (a) Except as provided in  
25 subsection (b), this chapter applies to the disposal of property by:

- 26 (1) political subdivisions; and  
27 (2) their agencies.  
28 (b) This chapter does not apply to the following:  
29 (1) The disposal of property under an urban homesteading  
30 program under IC 36-7-17.  
31 (2) The lease of school buildings under IC 20-47.  
32 (3) The sale of land to a lessor in a lease-purchase contract under  
33 IC 36-1-10.  
34 (4) The disposal of property by a redevelopment commission  
35 established under IC 36-7.  
36 (5) The leasing of property by a board of aviation commissioners  
37 established under IC 8-22-2 or an airport authority established  
38 under IC 8-22-3.

- 1 (6) The disposal of a municipally owned utility under IC 8-1.5.
- 2 (7) The sale or lease of property by a unit to an Indiana nonprofit
- 3 corporation organized for educational, literary, scientific,
- 4 religious, or charitable purposes that is exempt from federal
- 5 income taxation under Section 501 of the Internal Revenue Code
- 6 or the sale or reletting of that property by the nonprofit
- 7 corporation.
- 8 (8) The disposal of surplus property by a hospital established and
- 9 operated under IC 16-22-1 through IC 16-22-5, IC 16-22-8,
- 10 IC 16-23-1, or IC 16-24-1.
- 11 (9) The sale or lease of property acquired under IC 36-7-13 for
- 12 industrial development.
- 13 (10) The sale, lease, or disposal of property by a local hospital
- 14 authority under IC 5-1-4.
- 15 (11) The sale or other disposition of property by a county or
- 16 municipality to finance housing under IC 5-20-2.
- 17 (12) The disposition of property by a soil and water conservation
- 18 district under IC 14-32.
- 19 (13) The **sale, lease, or** disposal of ~~surplus~~ property by the health
- 20 and hospital corporation established and operated under
- 21 IC 16-22-8.
- 22 (14) The disposal of personal property by a library board under
- 23 IC 36-12-3-5(c).
- 24 (15) The sale or disposal of property by the historic preservation
- 25 commission under IC 36-7-11.1.
- 26 (16) The disposal of an interest in property by a housing authority
- 27 under IC 36-7-18.
- 28 (17) The disposal of property under IC 36-9-37-26.
- 29 (18) The disposal of property used for park purposes under
- 30 IC 36-10-7-8.
- 31 (19) The disposal of textbooks that will no longer be used by
- 32 school corporations under IC 20-26-12.
- 33 (20) The disposal of residential structures or improvements by a
- 34 municipal corporation without consideration to:
  - 35 (A) a governmental entity; or
  - 36 (B) a nonprofit corporation that is organized to expand the
  - 37 supply or sustain the existing supply of good quality,
  - 38 affordable housing for residents of Indiana having low or

- 1 moderate incomes.
- 2 (21) The disposal of historic property without consideration to a
- 3 nonprofit corporation whose charter or articles of incorporation
- 4 allows the corporation to take action for the preservation of
- 5 historic property. As used in this subdivision, "historic property"
- 6 means property that is:
  - 7 (A) listed on the National Register of Historic Places; or
  - 8 (B) eligible for listing on the National Register of Historic
  - 9 Places, as determined by the division of historic preservation
  - 10 and archeology of the department of natural resources.
- 11 (22) The disposal of real property without consideration to:
  - 12 (A) a governmental agency; or
  - 13 (B) a nonprofit corporation that exists for the primary purpose
  - 14 of enhancing the environment;
  - 15 when the property is to be used for compliance with a permit or
  - 16 an order issued by a federal or state regulatory agency to mitigate
  - 17 an adverse environmental impact.
- 18 (23) The disposal of property to a person under an agreement
- 19 between the person and a political subdivision or an agency of a
- 20 political subdivision under IC 5-23.
- 21 (24) The disposal of residential real property pursuant to a federal
- 22 aviation regulation (14 CFR 150) Airport Noise Compatibility
- 23 Planning Program as approved by the Federal Aviation
- 24 Administration.".
- 25 Renumber all SECTIONS consecutively.
- (Reference is to SB 224 as reprinted January 27, 2012.)

**and when so amended that said bill do pass.**

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Representative Brown T