

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.

HOUSE ENROLLED ACT No. 1207

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

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

SECTION 1. IC 3-9-2-13 IS REPEALED [EFFECTIVE JULY 1, 2012]. ~~Sec. 13: An individual may not solicit or receive a contribution in violation of the following statutes:~~

- (1) ~~IC 4-23-7-3.5 (Indiana Library and Historical Department):~~
- (2) ~~IC 4-23-7.1-38 (Indiana State Library):~~
- (3) ~~IC 4-23-7.2-17 (Indiana Historical Bureau):~~
- (4) ~~IC 8-23-2-3 (Indiana Department of Transportation):~~
- (5) ~~IC 14-9-7-1 and IC 14-10-3-10 (Department of Natural Resources):~~

SECTION 2. IC 4-12-1-13, AS AMENDED BY P.L.2-2007, SECTION 28, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2012]: Sec. 13. (a) During the interval between sessions of the general assembly, the budget agency shall make regular or, at the request of the governor, special inspections of the respective institutions of the state supported by public funds. The budget agency shall report regularly to the governor relative to the physical condition of such institutions, and any contemplated action of the institution on a new or important matter, and on any other subject which such agency may deem pertinent or on which the governor may require information. The budget agency shall likewise familiarize itself with the best and approved practices in each of such institutions and supply such

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information to other institutions to make their operation more efficient and economical.

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

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

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

- (1) a state educational institution; or
- (2) an agency of the state if the contract is not required to be approved by the budget agency under IC 4-13-2-14.1.

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

~~(f) The budget agency is responsible for reviewing and advising the~~

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governor, as chief executive of the state, or the governor's designee, as to whether any agreement reached pursuant to public employee collective bargaining as provided by statute, other than IC 20-29, is within the money legally available to the state as an employer.

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

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

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

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

- (1) a collective bargaining agreement entered into after June 30, 2002, unless otherwise provided in the collective bargaining agreement; or
- (2) an employment contract with a state agency entered into after June 30, 2002, unless otherwise provided in the employment contract.

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

- (1) be attorneys admitted to the bar of Indiana;
- (2) have at least five (5) years of experience practicing administrative or environmental law in Indiana;
- (3) be independent of the department of environmental management; and
- (4) be subject to all provisions applicable to an administrative law judge under this article.

(b) The director or an environmental law judge may be removed for cause under:

- (1) this article;
- (2) ~~IC 4-15-2,~~ through application of the standards for removal for cause of a person in the state service (as defined in

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~~IC 4-15-2-3.8); or~~

~~(3) applicable provisions of the code of judicial conduct.~~

~~(e) (b) The director may appoint a special environmental law judge. The special environmental law judge must meet the requirements of subsection (a).~~

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

~~(a) (1) To employ an executive director. and such clerical and other employees as may be necessary to carry out its duties;~~

~~(b) (2) To adopt, promulgate, amend and rescind such rules and regulations not inconsistent with the provisions of this chapter as it may deem necessary, acting in accordance with the provisions of IC 4-22-2.~~

~~(c) (3) To hold public hearings.~~

~~(d) (4) To enter into contracts, within the limit of funds available therefor, with individuals, organizations and institutions for services furthering the objectives of the commission's programs.~~

~~(e) (5) To enter into contracts, within the limit of funds available therefor, with local and regional not-for-profit corporations or associations for cooperative endeavors furthering the objectives of the commission's program.~~

~~(f) (6) To accept gifts, contributions and bequests of funds from individuals, foundations, corporations, limited liability companies, and other organizations or institutions.~~

~~(g) (7) To apply for, receive and disburse any funds available from the state or federal government in furtherance of the objectives of this chapter and to enter into any agreements which may be required by the state or federal government as a condition of obtaining such funds.~~

~~(h) (8) To make and sign any agreements and to do and perform any acts that may be necessary to carry out its purposes and duties.~~

SECTION 7. IC 4-23-7-3.5 IS REPEALED [EFFECTIVE JULY 1, 2012]. ~~Sec. 3-5: No member of the library and historical board nor any director or other employee of the department shall directly or indirectly solicit subscription or contribution for any political party or political purpose; or be forced in any way to make such contribution; or be required to participate in any form of political activity.~~

SECTION 8. IC 4-23-7.1-37 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2012]: Sec. 37. (a) The board shall

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appoint a director to be the chief administrative officer of the state library.

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

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

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

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

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

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

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

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

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

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

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

- (1) be a graduate of a college or university of recognized standing;
- (2) have had special training in the nature, relative value and use of historical source material;

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(3) have had special training in the editing of historical publications; and

(4) possess such other qualifications as the board, in its discretion, may deem necessary.

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

SECTION 11. IC 4-23-7.2-17 IS REPEALED [EFFECTIVE JULY 1, 2012]. Sec. 17. (a) All historical bureau employees, except the director, shall be selected by the director with the approval of the board and may be removed by the director for cause at any time with the approval of the board.

(b) Any or all of the historical bureau employees must have had such academic preparation and special training for the work which they are required to perform as may be prescribed in rules promulgated by the board.

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

(d) The state budget agency shall fix the compensation of the director. The director shall fix the compensation of the employees of the historical bureau, with the approval of the board and the state budget agency.

(e) No employee of the historical bureau may directly or indirectly solicit subscription or contribution for any political party or political purpose, or be forced in any way to make such contribution, or be required to participate in any form of political activity.

(f) All historical bureau employees are under IC 4-15-2.

SECTION 12. IC 4-30-3-14 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2012]: Sec. 14. The commission shall establish and maintain a personnel program for its employees. Employees of the commission serve at the pleasure of the director and are subject to suspension, dismissal, reduction in pay, demotion, transfer, or other personnel action at the discretion of the director. Employees of the commission are not merit system employees under IC 4-15-2. Except as provided in IC 4-30-6, employees may not be hired or fired on the basis of political affiliation.

SECTION 13. IC 5-2-1-14, AS AMENDED BY P.L.1-2006, SECTION 89, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2012]: Sec. 14. There is hereby created the position of executive director of the law enforcement training board. The executive director shall be selected by the board and the executive director's tenure of office shall be protected by a four (4) year, renewable contract of employment which may be terminated earlier by the board

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only for inefficiency, incompetence, neglect of duty, or other good cause after having been accorded a hearing by the board upon reasonable notice of the charge being made against the executive director. A vote of at least eleven (11) members of the board shall be necessary for the early termination of said contract of employment. The executive director shall be selected on the basis of education, training, and experience and shall have at least ten (10) years experience as an active law enforcement officer, at least five (5) years of which shall have been in an executive or administrative capacity. The executive director shall perform such duties as may be assigned by the board and shall be the chief administrative officer of the law enforcement academy. The salary and compensation for the executive director, the training staff, and employees shall be fixed by the board with the approval of the governor. The executive director shall establish a table of organization to be supplemented with job descriptions for each position subordinate to that of the executive director, all of which shall be subject to the approval of the board. All persons hired to fill such approved vacancies shall be selected on the basis of qualifications and merit based on training, education, and experience. ~~through competitive examinations except that the filling of all new positions shall be made so as to maintain in each equivalent position not more than one-half (1/2) of members of either of the two (2) major political parties.~~ Employees and members of the training staff shall not be subject to discharge, demotion, or suspension because of political affiliation, but may be discharged, demoted, or suspended only for cause after charges preferred in writing by the executive director. Any person so discharged or disciplined shall have a right to a hearing before the board if such person requests a hearing by giving notice to the executive director within fifteen (15) days after receiving written notice of discharge or disciplinary action. Procedures shall be consistent with IC 4-21.5.

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

- (1) the trustees; and
 - (2) a research and information consortium.
- (b) The trustees shall:
- (1) evaluate and disseminate to the public information concerning the cost and effectiveness of the criminal and juvenile justice systems;
 - (2) promote coordination and cooperation for the effective administration of the criminal and juvenile justice systems;

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- (3) establish plans for the criminal and juvenile justice systems and make recommendations concerning the implementation of these plans;
- (4) encourage and assist in the organization of an academic consortium for the purpose of engaging in research;
- (5) receive, expend, and account for state funds made available for the purposes of this chapter;
- (6) apply for and accept gifts and grants (which must be administered as public funds) made for the purposes of this chapter;
- (7) enter into lawful agreements as required as a condition for receiving gifts, grants, or other funds for the purposes of this chapter;
- (8) employ a director; ~~(or directors of divisions) and any necessary staff;~~
- (9) adopt rules, under IC 4-22-2, necessary to carry out the purposes of this chapter; and
- (10) promulgate guidelines concerning participation in the research and information consortium.

(c) The research and information consortium is composed of state educational institutions that are engaged in criminal or juvenile justice research under the direction of the trustees. A state or local governmental entity may participate in the consortium. The consortium shall act as an advisory body to the institute and perform other related functions as requested by the trustees.

(d) The trustees shall meet quarterly and at such times as called by the chairman. A majority of the trustees constitutes a quorum for doing business. A majority vote of the trustees is required for passage of any matter put to a vote. The trustees shall establish procedures and requirements with respect to the place and conduct of their meetings.

(e) A trustee is not entitled to the minimum salary per diem as provided in IC 4-10-11-2.1(b) while performing the trustee's duties. A trustee is entitled to reimbursement for traveling expenses and other expenses actually incurred in connection with the trustee's duties, as provided in the state travel policies and procedures established by the department of administration and approved by the state budget agency.

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

~~(b) Hearing officers must have at least three (3) semesters of legal training at an accredited law school or have equivalent training and~~

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experience under standards prescribed by the director.

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

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

SECTION 18. IC 5-15-5.1-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2012]: Sec. 4. (a) The governor shall appoint a director as the executive head of the commission. The director must be versed in the principles of information and forms management, archives, and the affairs and organization of state government. ~~The director shall serve a term of four (4) years. However, the director may be removed for cause by the governor. It is the intent of the general assembly that the director be a person who is qualified by training and experience to administer the affairs of the commission. and that the director's tenure of office is limited only by the director's ability and the proper performance of the director's duties.~~

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

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chapter.

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

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

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

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

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

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

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

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

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

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

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

SECTION 21. IC 6-8.1-4-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2012]: Sec. 3. (a) The requirements of this section are subject to the discretion of the commissioner as set forth in section 1 of this chapter.

(b) The commissioner shall assign an adequate number of personnel to the divisions created by this chapter to perform their required functions. ~~All auditors and tax examiners who are assigned to these divisions must have passed an open, competitive, and practical~~

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examination which tests their fitness for and knowledge of the area in which they will be working. The department shall give the examinations at stated periods during the year after making announcements of the examinations through the news media. In addition, the commissioner, to the best of the commissioner's ability, and without impairing the quality of the divisions' staff, must assign the personnel so that no more than one-half (1/2) of the personnel are members of the same political party.

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

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

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

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

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

The state personnel department shall establish and the budget agency

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shall approve an adequate number of senior field auditor positions to perform the functions required under this subsection.

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

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

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

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

(b) to administer and coordinate the state plan;

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

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

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

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

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

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

(i) to do all things otherwise necessary to maximize federal assistance to the State under Title IV of the Federal Regional Rail Reorganization Act of 1973.

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

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employment subject to this section.

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

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

(2) shall be employed regardless of political affiliation;

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

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

(5) may not solicit or receive political contributions;

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

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

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

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

(d) The appointment or dismissal of the chief highway engineer for the department is at the discretion of the commissioner. The chief highway engineer must be a registered professional engineer and must be a graduate civil engineer or have at least ten (10) years of experience in highway engineering.

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

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(f) Subject to this section:

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

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

(g) The commissioner may:

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

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

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

(1) be candidates for:

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

(B) precinct committeeman or state convention delegate;

and serve in that office if elected; and

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

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

(1) with the approval of the board;

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

(3) subject to section 14 of this chapter;

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

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

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~~(c)~~ (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.

~~(d)~~ (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.

~~(e)~~ (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 this chapter, and notwithstanding IC 4-15-2,~~ the employees of the department necessary to carry out this chapter and to fix the compensation of the employees. Employees of the department must qualify for the job concerned.
- (3) To carry out the program for veterans' affairs as directed by the governor and the commission.

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- (4) To carry on field direction, inspection, and coordination of county and city service officers as provided in this chapter.
- (5) To prepare and conduct service officer training schools with the voluntary aid and assistance of the service staffs of the major veterans' organizations.
- (6) To maintain an information bulletin service to county and city service officers for the necessary dissemination of material pertaining to all phases of veterans' rehabilitation and service work.
- (7) To perform the duties described in IC 10-17-11 for the Indiana state veterans' cemetery.
- (8) To perform the duties described in IC 10-17-12 for the military family relief fund.
- (9) To establish a program and set guidelines under which a medal of honor awardee may receive compensation when attending and participating in official ceremonies.

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

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

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

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

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

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

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

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

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

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

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

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

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

~~(d)~~ (b) The department shall conduct training programs designed to equip employees for duty in its facilities and programs and raise their level of performance. Training programs conducted by the department need not be limited to inservice training. They may include preemployment training, internship programs, and scholarship programs in cooperation with appropriate agencies. When funds are appropriated, the department may provide educational stipends or tuition reimbursement in such amounts and under such conditions as

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may be determined by the department and the personnel ~~division~~
department.

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

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

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

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

(b) To qualify for membership a person must:

- (1) hold at least a bachelor's degree from an accredited college or university; or
- (2) have at least ten (10) years of law enforcement experience; and must have the skill, training, or experience to analyze questions of law, administration, and public policy. Members shall devote full time to their duties, and are entitled to a salary to be determined by the state

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budget agency with the approval of the governor. The governor shall designate one (1) of the members to serve as chairman.

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

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

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

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

(e) If the school corporation in which the correctional institution is located becomes the largest school corporation in the county in which the correctional institution is located, the daily rate of pay for each teacher must be equal to that of the school corporation in which the correctional institution is located without regard to whether the school corporation in which the correctional institution is located remains the largest school corporation in the county.

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

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

must be equal to that of the school corporation in which the correctional institution is located.

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

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IC 12-19 or by an administrative rule, with the approval of the director of the division.

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

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

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

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

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

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

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

(1) Establish and maintain all necessary offices.

(2) Subject to IC 4-15-2:

(A) appoint;

(B) fix the compensation for; and

(C) prescribe the duties of;

the attorneys, other employees, and agents the commission considers necessary:

(3) (2) Provide legal and other advocacy services throughout Indiana to individuals or organizations on matters related to the

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protection of the legal and human rights of individuals with a developmental disability, individuals with a mental illness, and individuals who are seeking or receiving vocational rehabilitation services.

~~(4)~~ (3) Enter into contractual relationships and sue and be sued in the name of the services.

~~(5)~~ (4) Apply for, solicit, and accept contributions or grants of money, property, or services made by gift, devise, bequest, grant, or other means from any source that the commission considers best to assist the services in performing its purpose.

~~(6)~~ (5) Provide information and referral services.

~~(7)~~ (6) Adopt rules under IC 4-22-2 to do the following:

(A) Establish and operate local protection and advocacy service units.

(B) Operate the service.

(C) Perform the commission's duties.

~~(8)~~ (7) Ensure full participation in the electoral process in individuals with disabilities, including registering to vote, casting a vote, and accessing polling places, in accordance with 42 U.S.C. 15461 through 15462.

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

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

SECTION 36. IC 14-9-7-1 IS REPEALED [EFFECTIVE JULY 1, 2012]. Sec. 1. ~~(a) Because the functions and duties of the department are largely technical in nature and require specialized knowledge, training, and experience for proper performance, the employees of the department designated by the state personnel department as professional or technical shall, except as otherwise expressly provided in this article, be employed solely on the basis of the qualifications of the employees to perform the required duties. Political, religious, racial, and fraternal affiliations may not be a consideration in personnel actions affecting the employees.~~

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

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- (c) An employee under this policy may not:
 - (1) hold political office while employed by the department;
 - (2) solicit or receive money for political purposes; or
 - (3) be required to make contributions for or participate in political activities.

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

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

- (1) Coordinate the administration of the policy described in section 1 of this chapter with the state personnel department.
- (2) develop the necessary procedures to ensure that the required knowledge, ability, education, and experience qualifications are met by the employees of the department.

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

(b) Directors, assistants, inspectors, and employees are entitled to receive a compensation to be determined by the commission, upon the recommendation of the director and subject to the approval of the governor.

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

(b) As used in this section, "district forester" means any position on the state staffing table with a job code of "00HLE2" and a description of "Forester Specialist 2".

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

(d) As used in this section, "state staffing table" means a position classification plan and salary and wage schedule adopted by the state personnel department (established by IC 4-15-1.8-2) under IC 4-15-1.8-7.

(e) For pay periods beginning after June 30, 2008, the state personnel department shall equalize the salary and wage schedules for the positions of district forester and natural sciences manager so that

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both positions share the higher of the two (2) wage and salary schedules for these positions existing on April 1, 2008. For pay periods beginning after June 30, 2008, the department shall increase the wages and salaries of all district foresters and natural sciences managers to bring the wages and salaries into conformity with the salary and wage schedules required by this section.

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

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

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

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

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

(2) may be removed for cause under:

(A) IC 4-21.5;

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

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

(b) The commission shall create a division of hearings. The division of hearings shall assist the commission in performing the functions of this section. The director of the division of hearings may appoint a special administrative law judge.

(c) A person who is not appointed by:

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

(2) the commission;

may not act as an administrative law judge.

SECTION 42. IC 14-10-3-6 IS REPEALED [EFFECTIVE JULY 1,

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2012]. Sec. 6. The commission may choose an individual for employment for a probationary period of one (1) year.

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

- (1) permanently appointed;
- (2) retained on probation for an additional period of not more than one (1) year; or
- (3) terminated.

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

- (1) Dishonesty.
- (2) Incompetence.
- (3) Insubordination.
- (4) Repeated unbecoming conduct.

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

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

- (1) be required to declare the individual's political, religious, or fraternal affiliations.
- (2) solicit or receive money for political purposes; or
- (3) participate in any other political activity.

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

(b) If the board votes to remove a nonmerit employee, that employee must be notified of that decision in writing. Before the removal of a nonmerit employee becomes effective, the employee has ten (10) days after receiving written notification to make a written request for a public hearing regarding the removal. However, the board is not required to hold a hearing unless requested to do so by the nonmerit employee. If a request for a hearing is not made, the removal is effective upon the expiration of the ten (10) day period. If a request for a hearing is made, a public hearing shall be held at the office of the board not later than ten (10) days after the request is received by the



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board, and the employee may not be removed until after the hearing has been held and the board has made a decision:

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

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

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

(2) all other applicable employment and retirement benefits.

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

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

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

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

(d) The state health commissioner shall advise the budget agency and the governor of the state health commissioner's action under this section. Hours of work for all teachers shall be set in accordance with IC 4-15-2.

(e) If the school corporation in which the special institution is located becomes the largest school corporation in the county in which the special institution is located, the daily rate of pay for each teacher must be equal to that of the school corporation in which the special

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institution is located, without regard to whether the school corporation in which the special institution is located remains the largest school corporation in the county.

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

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

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

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

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

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

SECTION 53. IC 20-22-2-4, AS ADDED BY P.L.218-2005, SECTION 62, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2012]: Sec. 4. (a) The board shall appoint the chief executive officer, subject to the approval of the governor. The executive serves at the pleasure of the board. ~~and may be removed for cause:~~

- (b) The executive appointee must have the following qualifications:
- (1) Be an educator with knowledge, skill, and ability in the

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appointee's profession.

- (2) Have at least five (5) years experience in instruction of students with hearing impairment disabilities.
- (3) Have a master's degree or a higher degree.
- (4) Meet the qualifications for an Indiana teacher's certificate in the area of hearing impairment disabilities.
- (5) Have at least five (5) years experience supervising other individuals.

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

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

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

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

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

(b) The commissioner of labor:

- (1) shall be the administrative and executive officer of the department of labor;
 - (2) shall supervise and direct the work of the department;
 - (3) shall have immediate charge of the administration and enforcement of all the laws and rules that the department is required by law to enforce and administer;
 - (4) shall have general charge of all inspections and investigations;
- and

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(5) shall perform such other duties as may be prescribed in this chapter.

(c) The commissioner shall adopt and use an official seal for the authentication of the orders and records of the department.

(d) Before entering upon the discharge of his official duties, the commissioner shall:

(1) execute a bond, payable to the state in such amount and with such sureties as shall be approved by the governor, conditioned for the faithful discharge of his **the commissioner's** official duties; and

(2) take and subscribe an oath, which shall be endorsed upon his **the commissioner's** official bond;

and the bond and oath when so executed shall be filed in the office of the secretary of state.

(e) The commissioner is authorized and directed to classify and fix the minimum standards for the personnel of the department and to formulate salary schedules with the approval of the governor for the services so classified.

SECTION 56. IC 22-1-1-2.5 IS REPEALED [EFFECTIVE JULY 1, 2012]. Sec: 2.5: (a) Any individual appointed commissioner of labor who:

(1) in order to perform the duties of office has left or leaves a position or employment, other than a temporary position or employment, in the employ of any employer;

(2) is still qualified to perform the duties of employment; and

(3) makes application for reemployment within ten (10) days after the expiration of the term of office or after removal from office;

shall be restored by the employer to the position or employment at not less than the same pay or to a similar position or employment and pay unless the employer's circumstances have so changed as to make it impossible or unreasonable to do so. When the commissioner is restored to employment, it shall be done without discrimination, nor shall the commissioner be caused to suffer inconvenience or any other adverse action by the employer, as a result of any action taken while serving as commissioner.

(b) Any individual who is restored to a position or employment under this chapter shall be considered as having been on leave of absence during the period of service as commissioner of labor and is entitled to participate in insurance or other benefits offered by the employer pursuant to established rules and practices relating to employees on leave of absence in effect with the employer.

(c) Any individual who is a member of a labor organization who is

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appointed commissioner of labor shall be considered for all purposes as being on leave of absence during the period of service as commissioner of labor.

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

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

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

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

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

(b) The commission may appoint such attorneys and other employees and agents as it considers necessary; fix their compensation within the limitation provided by law; and prescribe their duties. All these employees, with the exception of the executive director and attorneys, shall be appointed by the commission from eligible lists to be promulgated by the department of personnel as the result of a competitive examination held under IC 4-15-2 and rules of the department and on the basis of training, practical experience, education, and character. However, special consideration and due weight shall be given to the practical experience and training that a

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person may have for the particular position involved regardless of his academic training. Promotions, suspensions, and removal of persons appointed from such lists shall be in accordance with IC 4-15-2. The reasonable and necessary traveling expenses of each employee of the commission while actually engaged in the performance of duties in behalf of the commission shall be paid in accordance with the state travel policies and procedures established by the Indiana department of administration and approved by the budget agency.

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

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

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

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

- (1) study the problems of discrimination in the areas covered by section 2 of this chapter when based on race, religion, color, sex, handicap, national origin, or ancestry; and
- (2) foster through community effort, or otherwise, good will among the groups and elements of the population of the state.

These agencies and councils may make recommendation to the commission for the development of policies and procedures in general. Advisory agencies and conciliation councils created by the commission shall be composed of representative citizens serving without pay, but with reimbursement for reasonable and necessary actual expenses.

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

(j) (g) The commission shall prevent any person from discharging,

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expelling, or otherwise discriminating against any other person because ~~he~~ **the person** filed a complaint, testified in any hearing before this commission, or in any way assisted the commission in any matter under its investigation.

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

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

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

- (A) to restore complainant's losses incurred as a result of discriminatory treatment, as the commission may deem necessary to assure justice; however, this specific provision when applied to orders pertaining to employment shall include only wages, salary, or commissions;
- (B) to require the posting of notice setting forth the public policy of Indiana concerning civil rights and respondent's compliance with the policy in places of public accommodations;
- (C) to require proof of compliance to be filed by respondent at periodic intervals; and
- (D) to require a person who has been found to be in violation of



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this chapter and who is licensed by a state agency authorized to grant a license to show cause to the licensing agency why his license should not be revoked or suspended.

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

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

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

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

~~(p)~~ **(o)** The commission may reduce the terms of conciliation agreed to by the parties to writing (to be called a consent agreement) that the parties and a majority of the commissioners shall sign. When signed, the consent agreement shall have the same effect as a cease and desist order issued under subsection ~~(k)~~ **(j)**. If the commission determines that a party to the consent agreement is not complying with it, the commission may obtain enforcement of the consent agreement in a circuit or superior court upon showing that the party is not complying with the consent agreement and the party is subject to the commission's jurisdiction and resides or transacts business within the county in which the petition for enforcement is brought.

~~(q)~~ **(p)** In lieu of investigating a complaint and holding a hearing under this section, the commission may issue an order based on findings and determinations by the federal Department of Housing and Urban Development or the federal Equal Employment Opportunity

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Commission concerning a complaint that has been filed with one (1) of these federal agencies and with the commission. The commission shall adopt by rule standards under which the commission may issue such an order.

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

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

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

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

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

SECTION 62. IC 27-1-1-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2012]: Sec. 2. (a) The powers, duties, management and control of the department of insurance are hereby conferred on and vested in the "insurance commissioner". The insurance commissioner shall be appointed by the governor, and shall be familiar with and known to possess a knowledge of the subject of insurance and be skilled in matters pertaining thereto and shall be chosen solely for fitness, irrespective of his political beliefs or affiliations. The commissioner shall serve and may be removed at the pleasure of the governor, and shall be the chief executive and administrative officer of the department. ~~The insurance commissioner shall receive an annual salary of eleven thousand five hundred dollars (\$11,500), which shall be in full of all services performed by him in any capacity.~~ The commissioner shall take an oath of office and give bond in the sum of fifty thousand dollars (\$50,000) with surety to be approved by the governor for the faithful performance of his duties.

(b) The commissioner is authorized to attend and participate in the meetings of the national convention of insurance commissioners and of the committees thereof and ~~he~~ may require ~~such of his~~ **the** deputies,

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actuaries, and assistants as ~~he~~ **that the commissioner** may designate to attend and participate in such meetings. If ~~he~~ **the commissioner** deems it advisable, ~~he~~ **the commissioner** may request the attorney general or a deputy attorney general to attend and participate in such meetings. ~~with him.~~ **He The commissioner** and ~~his~~ **the** deputies, actuaries, assistants, and attorneys as ~~aforsaid~~ **of the department of insurance** shall aid in promoting improvements in the insurance laws and the uniformity thereof in the several states. The expense of such attendance by the commissioner, and ~~his~~ **the** deputies, actuaries, assistants, and attorneys as ~~aforsaid~~ shall be paid by the ~~state treasurer~~ **treasurer of state** upon the warrant of the commissioner certifying ~~therein~~ that ~~he~~ **the commissioner** has examined and approved the charges for such expenses.

SECTION 63. IC 27-1-1-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2012]: Sec. 3. The commissioner ~~with the approval of the governor~~ shall appoint a chief deputy, an actuary, a securities deputy, and such other deputies, examiners, assistants and other employees as may be necessary to carry on the work of the department. With respect to all of such positions, aptitude, previous training and experience, intelligence and moral and physical qualifications shall be carefully considered and such employees shall be chosen for their fitness, either professional or practical, as the nature of the position may require, irrespective of their political beliefs or affiliations; it being the responsibility of the commissioner to develop and maintain a highly trained and effective personnel within the insurance department. The actuary of the department shall have had at least five (5) years experience in a responsible actuarial position in a life or casualty insurance company, in consulting actuarial practice, or in a comparable actuarial position in a state or federal agency; however, only two (2) years experience of the type aforesaid shall be required (a) if the applicant is a fellow or associate of the society of actuaries or the casualty actuarial society, or (b) if said applicant has completed courses in actuarial mathematics or theory in an accredited college or university. The technical or professional qualifications of any applicant shall be determined by examination, professional rating or otherwise, as the commissioner ~~with the approval of the governor,~~ shall determine. The securities deputy and any securities clerk shall each give bond in the sum fixed by the governor, but not less than twenty-five thousand dollars (\$25,000) surety, ~~with the approval of the governor,~~ for the faithful performance of their duties.

SECTION 64. IC 27-1-1-4 IS REPEALED [EFFECTIVE JULY 1, 2012]. ~~Sec. 4. The annual salaries of personnel of the department; other~~

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than the commissioner, shall be fixed by the commissioner with approval of the governor and budget agency. The commissioner shall have the power at any time to terminate the services of any employee of the department for inefficiency, incompetency or neglect of or failure to perform his duties.

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

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

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

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

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

(d) The treasurer of state shall invest the money in the fund not currently needed to meet the obligations of the fund in the same manner as other public funds may be invested. Interest that accrues from these investments shall be deposited in the fund.

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

(f) There is annually appropriated to the department of insurance,

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for the purposes set forth in subsection (a), the entire amount of money deposited in the fund in each year.

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

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

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

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

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

- IC 4-1-10-8 (Concerning state agencies).
- IC 4-1-10-9 (Concerning state agencies).
- IC 4-2-6-13 (Concerning state officers).
- IC 4-2-6-14 (Concerning state officers).
- IC 4-2-7-8 (Concerning the inspector general).
- IC 4-4-27-8 (Concerning the inspection of grain).
- IC 4-11-1-6 (Concerning certain loans and mortgages).
- IC 4-13-1.2-11 (Concerning the department of correction ombudsman).
- IC 4-13-4.1-4 (Concerning the department of administration).
- IC 4-13-19-11 (Concerning the department of child services ombudsman).
- IC 4-13.6-4-14 (Concerning state public works).
- ~~IC 4-15-2-42 (Concerning state merit employment).~~
- IC 4-15-10-4 (Concerning certain state employee reports).
- IC 4-21.5-3-36 (Concerning administrative proceedings).
- IC 4-21.5-3-37 (Concerning administrative proceedings).

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IC 4-30-3-19 (Concerning the lottery).
IC 4-30-3-19.5 (Concerning the lottery).
IC 4-30-3-19.7 (Concerning the lottery).
IC 4-30-12-5 (Concerning the lottery).
IC 4-30-13-1 (Concerning the lottery).
IC 4-30-14-1 (Concerning the lottery).
IC 4-30-14-2 (Concerning the lottery).
IC 4-30-14-3 (Concerning the lottery).
IC 4-30-14-4 (Concerning the lottery).
IC 4-30-14-5 (Concerning the lottery).
IC 4-30-14-6 (Concerning the lottery).
IC 4-31-13-3 (Concerning horse racing).
IC 4-31-13-3.5 (Concerning horse racing).
IC 4-31-13-9 (Concerning ~~the lottery~~ **horse racing**).
IC 4-32.2-8-4 (Concerning charity gaming).
IC 4-33-10-1 (Concerning riverboat gambling).
IC 4-33-10-2 (Concerning riverboat gambling).
IC 4-33-10-2.1 (Concerning riverboat gambling).
IC 4-33-10-2.5 (Concerning riverboat gambling).
IC 4-33-22-14 (Concerning boxing and mixed martial arts).
IC 4-33-22-40 (Concerning boxing and mixed martial arts).
IC 4-35-9-2 (Concerning gambling games at racetracks).
IC 4-35-9-3 (Concerning gambling games at racetracks).
IC 4-35-9-4 (Concerning gambling games at racetracks).
IC 4-35-9-5 (Concerning gambling games at racetracks).
IC 4-36-6-5 (Concerning gambling in certain establishments).

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Speaker of the House of Representatives

President of the Senate

President Pro Tempore

Governor of the State of Indiana

Date: _____ Time: _____

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