

SENATE BILL No. 199

DIGEST OF INTRODUCED BILL

Citations Affected: IC 2-5; IC 4-24.5.

Synopsis: Evaluation of agencies and programs. Establishes procedures for the evaluation and termination of all state agencies and programs on a ten year cycle. Requires the school of public and environmental affairs or business schools of Indiana University, Purdue University, Ball State University, Indiana State University, and the University of Southern Indiana to develop internship programs to give credit to students who perform the evaluation of state agencies and programs, and requires the universities to provide the evaluation service under the direction of the legislative services agency. Makes necessary appropriations to implement termination of an agency or agency program. Repeals the current law on the legislative evaluation and oversight of agencies and programs.

Effective: Upon passage.

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January 4, 2012, read first time and referred to Committee on Appropriations.

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Second Regular Session 117th General Assembly (2012)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2011 Regular Session of the General Assembly.

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SENATE BILL No. 199



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

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

1 SECTION 1. IC 2-5-1.1-6.5 IS AMENDED TO READ AS
2 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 6.5. **(a) As used in**
3 **this section, "agency" includes an agency, authority, board,**
4 **bureau, commission, committee, department, division, institution,**
5 **or other similar entity created or established by law.**

6 ~~(a)~~ **(b)** The council shall, upon consultation with the governor's
7 office, develop an annual report format taking into consideration,
8 among other things, program budgeting, with the final format to be
9 determined by the council. The format may be distributed to any
10 agency (as defined in ~~IC 2-5-21-1~~ **IC 4-24.5-1-2**). The agency shall
11 complete and return a copy in an electronic format under IC 5-14-6 to
12 the legislative council before September 1 of each year for the
13 preceding fiscal year.

14 ~~(b)~~ **(c)** The council shall distribute one (1) copy to the governor's
15 office, one (1) copy to the budget agency, and three (3) copies to the
16 state library.

17 ~~(c)~~ **(d)** The reports are a public record and are open to inspection.



1 SECTION 2. IC 2-5-1.2-1, AS ADDED BY P.L.220-2011,
 2 SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 3 UPON PASSAGE]: Sec. 1. (a) Except as provided in subsection (b) or
 4 otherwise in this article, this chapter applies to all committees
 5 established under this article.

6 (b) This chapter does not apply to the following:

7 (1) The legislative council and code revision commission
 8 (IC 2-5-1.1).

9 (2) The public officers compensation advisory commission
 10 (IC 2-5-1.5).

11 (3) The commission on interstate cooperation (IC 2-5-2).

12 (4) The commission on state tax and financing policy (IC 2-5-3).

13 (5) The natural resources study committee (IC 2-5-5).

14 (6) The pension management oversight commission (IC 2-5-12).

15 (7) The probate code study commission (IC 2-5-16).

16 (8) The administrative rules oversight committee (IC 2-5-18).

17 (9) The census data advisory committee (IC 2-5-19).

18 (10) The commission on military and veterans affairs (IC 2-5-20).

19 (11) A committee covered by ~~IC 2-5-21~~. **IC 4-24.5.**

20 (12) The health finance commission (IC 2-5-23).

21 (13) The water resources study committee (IC 2-5-25).

22 (14) The select joint commission on Medicaid oversight
 23 (IC 2-5-26).

24 (15) The commission on developmental disabilities (IC 2-5-27.2).

25 (16) The joint study committee on mass transit and transportation
 26 alternatives (IC 2-5-28).

27 (17) The youth advisory council (IC 2-5-29).

28 (18) The unemployment insurance oversight committee
 29 (IC 2-5-30).

30 (19) The criminal law and sentencing policy study committee
 31 (IC 2-5-33.4).

32 SECTION 3. IC 2-5-21 IS REPEALED [EFFECTIVE UPON
 33 PASSAGE]. (Legislative Evaluation and Oversight of Agencies and
 34 Programs).

35 SECTION 4. IC 4-24.5 IS ADDED TO THE INDIANA CODE AS
 36 A NEW ARTICLE TO READ AS FOLLOWS [EFFECTIVE UPON
 37 PASSAGE]:

38 **ARTICLE 24.5. EVALUATION AND TERMINATION OF**
 39 **AGENCIES AND PROGRAMS**

40 **Chapter 1. Definitions**

41 **Sec. 1. The definitions in this chapter apply throughout this**
 42 **article.**

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1 **Sec. 2. "Agency" refers to a state agency (as defined in**
2 **IC 4-13-1-1(b)).**

3 **Sec. 3. "Committee" refers to a committee established under**
4 **IC 4-24.5-2.**

5 **Sec. 4. "Council" refers to the legislative council established by**
6 **IC 2-5-1.1-1.**

7 **Sec. 5. "Evaluating entity" refers to:**

- 8 (1) the staff of the legislative services agency; or
9 (2) the school of public and environmental affairs or school of
10 business of a state educational institution in Indiana;
11 performing an evaluation of an agency or a program.

12 **Sec. 6. "Program" means either of the following:**

- 13 (1) An activity performed by an agency.
14 (2) An activity that an agency is authorized or required by law
15 to perform.

16 **Chapter 2. Evaluation Committee**

17 **Sec. 1. (a) At the time each major subject matter group of**
18 **agencies or programs is evaluated under this article, the council**
19 **shall establish a committee of sixteen (16) members, with:**

- 20 (1) eight (8) members being from each chamber of the general
21 assembly; and
22 (2) not more than four (4) members from each chamber being
23 from the same political party.

24 **(b) The speaker of the house of representatives and the**
25 **president pro tempore of the senate shall each recommend for**
26 **appointment to a committee members of standing committees that**
27 **are relevant to the agency, group of agencies, or programs being**
28 **evaluated by the committee.**

29 **(c) The chairman of the council, with the advice of the vice**
30 **chairman of the council, shall appoint the members of each**
31 **committee.**

32 **(d) An individual serves as a member of a committee until the**
33 **earliest of the following:**

- 34 (1) The individual resigns as a member of the committee.
35 (2) The individual ceases to be a member of the general
36 assembly.
37 (3) The chairman of the council appoints a member to replace
38 the individual.

39 **(e) The chairman of the council, with the advice of the vice**
40 **chairman of the council, shall fill a vacancy on a committee.**

41 **(f) When making appointments to a committee, the chairman of**
42 **the council, with the advice of the vice chairman of the council,**

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1 shall appoint a member of each committee as the chair of the
2 committee.

3 (g) The chair of a committee serves until the earliest of the
4 following:

5 (1) The individual resigns as chair.

6 (2) The individual ceases to be a member of the committee.

7 (3) The chairman of the council appoints a member to replace
8 the individual.

9 (h) A committee shall be appointed for the evaluation of
10 agencies and programs before July 1 of the year in which the
11 agencies and programs are required to be evaluated under this
12 article.

13 Sec. 2. Each committee shall do the following under the
14 direction of the council:

15 (1) Direct the staff of the legislative services agency to oversee
16 the evaluation for which the committee was established under
17 this article.

18 (2) Designate the school of public and environmental affairs
19 or business school of a state educational institution to perform
20 the evaluation of the agency, group of agencies, or programs
21 scheduled for evaluation by the committee.

22 (3) Direct the evaluating entities in performing the evaluation
23 of agencies and programs.

24 (4) Perform other functions assigned by the council.

25 (5) Review the evaluations and make recommendations to the
26 general assembly.

27 Chapter 3. Evaluation Process

28 Sec. 1. The following must be considered by an evaluating entity
29 in performing an evaluation of an agency or program under this
30 article:

31 (1) The objectives intended for the agency or program, and
32 the problem or need that the agency or program was intended
33 to address.

34 (2) The degree to which the intended objectives of the agency
35 or program have been achieved, expressed in terms of
36 performance, effect, or accomplishments of the agency or
37 program.

38 (3) Budget and other fiscal factors relating to the agency or
39 program.

40 (4) Areas or aspects of outstanding agency or program
41 performance that might be effectively used by other agencies
42 or programs.

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1 (5) The effect of the agency or program on the Indiana
2 economy, including costs to consumers and businesses.

3 (6) Whether the operation of the agency or program has been
4 efficient and responsive to public needs.

5 (7) The management efficiency of the agency or program, and
6 the cost effectiveness and value of the information the agency
7 or program processes.

8 (8) Any other criteria identified by the committee or council.

9 **Sec. 2. In evaluating an agency or program, an evaluating entity
10 shall use the following:**

11 (1) The cost benefit and cost effectiveness analysis techniques
12 used by the federal government in evaluating and
13 reengineering government programs, as set out in the
14 circulars published by the United States Office of
15 Management and Budget and related documents, including
16 the following:

17 (A) OMB Circular No. A-4 (development of regulatory
18 analysis).

19 (B) OMB Circular No. A-76 (policy for the competition of
20 commercial activities).

21 (C) OMB Circular No. A-94 (discount rates for cost
22 effectiveness, lease purchase, and related analyses).

23 (D) OMB Circular No. A-131 (use value engineering as a
24 management tool, where appropriate, to reduce program
25 and acquisition costs).

26 (2) Other tools recommended by the:

27 (A) council;

28 (B) committee;

29 (C) legislative services agency; or

30 (D) participating state educational institutions.

31 **Sec. 3. (a) The council shall provide direction to each committee
32 concerning the agency or programs the committee is to evaluate.**

33 **(b) The committee shall provide direction to the legislative
34 services agency concerning support and oversight of the
35 evaluation.**

36 **(c) The committee, through the legislative services agency, shall:**

37 **(1) choose the state educational institution to perform the
38 evaluation; and**

39 **(2) supervise the state educational institution during the:**

40 **(A) performance of the evaluation;**

41 **(B) preparation of the report; and**

42 **(C) preparation of legislation;**

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- 1 for the committee.
- 2 **Sec. 4.** Each state educational institution shall direct its school
3 of public and environmental affairs or school of business to work
4 with the legislative services agency to evaluate agencies and
5 programs.
- 6 **Sec. 5.** The dean of each state educational institution shall
7 appoint a tenured faculty member to oversee the evaluation
8 program of the state educational institution's school of public and
9 environmental affairs or school of business under section 4 of this
10 chapter and to act as liaison between the school and the legislative
11 services agency during the evaluation process.
- 12 **Sec. 6.** An evaluation program conducted by a school of public
13 and environmental affairs or school of business under section 4 of
14 this chapter must be designed to give graduate students and
15 undergraduate students of the state educational institution an
16 opportunity to participate in the evaluation program as unpaid
17 interns.
- 18 **Sec. 7. (a)** Each state educational institution shall offer elective
19 courses to undergraduate and graduate students that allow interns
20 in an evaluation program conducted under section 4 of this chapter
21 to:
- 22 (1) receive college credit for participating as interns in the
23 evaluation program;
- 24 (2) receive sufficient education, counseling, and course work;
- 25 and
- 26 (3) have access to computers and other equipment to
27 successfully complete the internship.
- 28 **(b)** Courses offered under subsection (a) shall be submitted to
29 the commission for higher education in the same manner as other
30 proposed academic programs.
- 31 **Sec. 8.** A state educational institution conducting an evaluation
32 program under section 4 of this chapter shall, with advice from the
33 legislative services agency, develop internship responsibilities and
34 qualifications to assist students participating in the evaluation
35 program as interns in developing skills in:
- 36 (1) mathematics;
- 37 (2) computers; and
- 38 (3) management analysis;
- 39 that are readily transferrable to public and private employment.
- 40 **Sec. 9.** A committee shall do the following concerning the
41 evaluation for which the committee was established:
- 42 (1) Review evaluation reports.

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- 1 **(2) Take testimony regarding evaluation reports and other**
 2 **sources the committee considers related to the committee's**
 3 **work.**
 4 **(3) Make recommendations for legislation regarding**
 5 **evaluated programs and agencies to:**
 6 **(A) retain the agencies and programs without change;**
 7 **(B) change functions of the agencies and programs;**
 8 **(C) transfer functions of certain agencies to other agencies;**
 9 **or**
 10 **(D) recommend administrative changes.**
 11 **Sec. 10. (a) The following apply to the operation of a committee:**
 12 **(1) A committee shall operate under the policies governing**
 13 **study committees adopted by the council unless the council**
 14 **specifically establishes additional guidelines for operation of**
 15 **a committee under this article.**
 16 **(2) The affirmative votes of a majority of the voting members**
 17 **appointed to a committee are required for the committee to**
 18 **take action on any measure, including final reports.**
 19 **(b) The legislative services agency shall provide staff and**
 20 **administrative support for each committee as directed by the**
 21 **council.**
 22 **(c) A committee shall prepare reports as required by the**
 23 **council.**
 24 **Chapter 4. Agency Responsibilities**
 25 **Sec. 1. The chief administrative officer and the employees of:**
 26 **(1) an agency; or**
 27 **(2) an agency that administers a program;**
 28 **that is subject to evaluation under this article shall cooperate with**
 29 **the council, a committee, or an evaluating entity as evaluating**
 30 **duties are performed under this article.**
 31 **Sec. 2. The chief administrative officer and the employees of:**
 32 **(1) an agency; or**
 33 **(2) an agency that administers a program;**
 34 **that is subject to evaluation under this article shall provide the**
 35 **legislative services agency and the state educational institution**
 36 **performing the evaluation with the following information upon**
 37 **request:**
 38 **(1) The identity of all agencies or subunits under the agency's**
 39 **direct or advisory control.**
 40 **(2) A statement of all the agency's powers, duties, and**
 41 **functions currently performed.**
 42 **(3) A citation to all constitutional, statutory, or other**

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- 1 authority under which the agency carries out the agency's
 2 powers, duties, and functions.
- 3 (4) A statement of the number and types of persons the agency
 4 serves.
- 5 (5) A summary statement, for the last completed fiscal year,
 6 of the number, type, and cost of personnel the agency:
 7 (A) directly employs; and
 8 (B) employs under contract;
 9 to carry out each program administered by the agency.
- 10 (6) A statement identifying the source of all funds for which
 11 the agency has at least some responsibility.
- 12 (7) A statement of the agency's performance and
 13 accomplishments over the last five (5) fiscal years and of the
 14 budgetary costs the agency incurred in the operation of each
 15 program administered by the agency.
- 16 (8) A summary statement of:
 17 (A) the agency's reporting and record keeping
 18 requirements and activities, including the agency's
 19 management and control of information and records;
 20 (B) the value of the information gathered by the agency
 21 compared with the cost to respondents; and
 22 (C) an assessment of the agency's methods to reduce and
 23 simplify the agency's reporting and record keeping
 24 requirements.
- 25 (9) A summary statement of the agency's budget and program
 26 for the last five (5) fiscal years and the current fiscal year, and
 27 the agency's budget projections for the next succeeding fiscal
 28 year.
- 29 (10) An estimate of potential outputs of services to be
 30 produced by varying levels of budgetary inputs.
- 31 (11) A statement concerning any powers, duties, or functions
 32 that, in the agency's opinion, are being performed and
 33 duplicated to any extent by another public or private program
 34 or entity, including:
 35 (A) the manner in which and the extent to which this
 36 duplication of effort is occurring; and
 37 (B) any recommendations the agency may provide to
 38 eliminate the duplication.
- 39 (12) A statement of any powers, duties, or functions that, in
 40 the agency's opinion, are inconsistent with current and
 41 projected public demands and should be terminated or
 42 altered.

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1 (13) A statement listing the private programs or entities with
 2 which the agency has substantial contacts and a description of
 3 the nature of those contacts.

4 (14) Any other information that the committee or evaluating
 5 entity determines is necessary to complete the evaluation.

6 **Chapter 5. Agency Termination**

7 **Sec. 1. (a)** The agencies and programs described in subsection
 8 (d) concerning education are scheduled to be:

9 (1) evaluated beginning not later than July 1, 2012; and

10 (2) terminated, along with all powers, duties, and functions
 11 adhering to them, effective June 30, 2014.

12 (b) The council shall appoint a committee to oversee the
 13 evaluations under this section not later than July 1, 2012. The
 14 committee appointed under this subsection terminates June 30,
 15 2015.

16 (c) The committee appointed under subsection (b) shall direct an
 17 evaluating entity to begin evaluating the agencies and programs
 18 described in subsection (d) beginning July 1, 2012. The evaluating
 19 entity shall complete a report on the agencies and programs for
 20 presentation to the committee by April 1, 2013. The committee
 21 shall consider the report for the introduction of legislation for the
 22 2014 regular legislative session.

23 (d) The following agencies and programs are scheduled for
 24 evaluation and termination under this section:

25 (1) Department of education (IC 20-19-3) and all programs
 26 for which the department of education received an
 27 appropriation in the 2011 budget bill.

28 (2) Indiana state teachers' retirement fund (IC 5-10.4-2-1).

29 (3) Indiana education employment relations board
 30 (IC 20-29-3-1).

31 (4) Indiana library and historical department (IC 4-23-7-3-1).

32 (5) Indiana arts commission (IC 4-23-2-1).

33 **Sec. 2. (a)** The agencies and programs described in subsection
 34 (d) concerning health and human services are scheduled to be:

35 (1) evaluated under this article beginning July 1, 2013; and

36 (2) terminated, along with all powers, duties, and functions
 37 adhering to them, effective June 30, 2015.

38 (b) The council shall appoint a committee to oversee the
 39 evaluations under this section not later than July 1, 2013. The
 40 committee appointed under this subsection terminates June 30,
 41 2016.

42 (c) The committee appointed under subsection (b) shall direct an

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1 evaluating entity to begin evaluating the agencies and programs
2 described in subsection (d) beginning not later than July 1, 2013.
3 The evaluating entity shall complete a report on the agencies and
4 programs for presentation to the committee by April 1, 2014. The
5 committee shall consider the report for the introduction of
6 legislation for the 2015 regular legislative session.

7 (d) The office of the secretary of family and social services
8 (IC 12-8-1-1) and all offices, divisions, and programs administered
9 by the office of the secretary of family and social services are
10 scheduled for evaluation and termination under this section.

11 Sec. 3. (a) The agencies and programs described in subsection
12 (d) concerning health and human services are scheduled to be:

- 13 (1) evaluated under this article beginning July 1, 2014; and
- 14 (2) terminated, along with all powers, duties, and functions
15 adhering to them, effective June 30, 2016.

16 (b) The council shall appoint a committee to oversee the
17 evaluations under this section not later than July 1, 2014. The
18 committee appointed under this subsection terminates June 30,
19 2017.

20 (c) The committee appointed under subsection (b) shall direct an
21 evaluating entity to begin evaluating the agencies and programs
22 described in subsection (d) beginning not later than July 1, 2014.
23 The evaluating entity shall complete a report on the agencies and
24 programs for presentation to the committee by April 1, 2015. The
25 committee shall consider the report for the introduction of
26 legislation for the 2016 regular legislative session.

27 (d) The following agencies and programs are scheduled for
28 evaluation and termination under this section:

- 29 (1) Department of child services (IC 31-25-1-1) and all
30 programs administered by the department.
- 31 (2) State department of health (IC 16-19-1-1) and all
32 programs administered by the department.
- 33 (3) Indiana School for the Blind and Visually Impaired
34 (IC 20-21-2-1).
- 35 (4) Indiana School for the Deaf (IC 20-22-2-1).
- 36 (5) Indiana department of veterans' affairs (IC 10-17-1-2).

37 Sec. 4. (a) The Indiana department of transportation
38 (IC 8-23-2-1) is scheduled to be:

- 39 (1) evaluated under this article beginning July 1, 2015; and
- 40 (2) terminated and all powers, duties, and functions adhering
41 to the department terminated effective June 30, 2017.

42 (b) The council shall appoint a committee to oversee the

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1 evaluations under this section not later than July 1, 2015. The
2 committee appointed under this subsection terminates June 30,
3 2018.

4 (c) The committee appointed under subsection (b) shall direct an
5 evaluating entity to begin evaluating the Indiana department of
6 transportation beginning not later than July 1, 2015. The
7 evaluating entity shall complete a report on the Indiana
8 department of transportation for presentation to the committee by
9 April 1, 2016. The committee shall consider the report for the
10 introduction of legislation for the 2017 regular legislative session.

11 Sec. 5. (a) The agencies and programs listed in subsection (d)
12 concerning public safety are scheduled to be:

- 13 (1) evaluated under this article beginning July 1, 2016; and
- 14 (2) terminated, along with all powers, duties, and functions
15 adhering to them, effective June 30, 2018.

16 (b) The council shall appoint a committee to oversee the
17 evaluations under this section not later than July 1, 2016. The
18 committee appointed under this subsection terminates June 30,
19 2019.

20 (c) The committee appointed under subsection (b) shall direct an
21 evaluating entity to begin evaluating the agencies and programs
22 listed in subsection (d) beginning not later than July 1, 2016. The
23 evaluating entity shall complete a report on the agencies and
24 programs for presentation to the committee by April 1, 2017. The
25 committee shall consider the report for the introduction of
26 legislation for the 2018 regular legislative session.

27 (d) The following agencies and programs are scheduled for
28 evaluation and termination under this section:

- 29 (1) Department of correction (IC 11-8-2-1).
- 30 (2) State police department (IC 10-11-2-4).
- 31 (3) Integrated public safety commission (IC 5-26-2-1).
- 32 (4) Military department (IC 10-16-2-1).
- 33 (5) Indiana criminal justice institute (IC 5-2-6-3).
- 34 (6) Coroners training board (IC 4-23-6.5-3).
- 35 (7) Indiana department of gaming research (IC 4-33-18-2).

36 Sec. 6. (a) The agencies and programs listed in subsection (d) are
37 scheduled to be:

- 38 (1) evaluated under this article beginning July 1, 2017; and
- 39 (2) terminated, along with all powers, duties, and functions
40 adhering to them, effective June 30, 2019.

41 (b) The council shall appoint a committee to oversee the
42 evaluations under this section not later than July 1, 2017. The

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1 committee appointed under this subsection terminates June 30,
2 2020.

3 (c) The committee appointed under subsection (b) shall direct an
4 evaluating entity to begin evaluating the agencies and programs
5 listed in subsection (d) beginning not later than July 1, 2017. The
6 evaluating entity shall complete a report on the agencies and
7 programs for presentation to the committee by April 1, 2018. The
8 committee shall consider the report for the introduction of
9 legislation for the 2019 regular legislative session.

10 (d) The following agencies and programs are scheduled for
11 evaluation and termination under this section:

- 12 (1) Law enforcement training board (IC 5-2-1-3).
- 13 (2) Bureau of motor vehicles (IC 9-14-1-1).
- 14 (3) Department of labor (IC 22-1-1-1).
- 15 (4) Department of insurance (IC 27-1-1-1).
- 16 (5) Alcohol and tobacco commission (IC 7.1-2-1-1).
- 17 (6) Department of financial institutions (IC 28-1).
- 18 (7) Civil rights commission (IC 22-9-1-4).
- 19 (8) Indiana professional licensing agency (IC 25-1-5-3).
- 20 (9) Office of utility consumer counselor (IC 8-1-1.1-2).
- 21 (10) Indiana utility regulatory commission (IC 8-1-1-2).
- 22 (11) Worker's compensation board of Indiana (IC 22-3-1-1).
- 23 (12) Department of homeland security (IC 10-19-2-1).

24 Sec. 7. (a) The agencies and programs listed in subsection (d) are
25 scheduled to be:

- 26 (1) evaluated under this article beginning July 1, 2018; and
- 27 (2) terminated, along with all powers, duties, and functions
28 adhering to them, effective June 30, 2020.

29 (b) The council shall appoint a committee to oversee the
30 evaluations under this section not later than July 1, 2018. The
31 committee appointed under this subsection terminates June 30,
32 2021.

33 (c) The committee appointed under subsection (b) shall direct an
34 evaluating entity to begin evaluating the agencies and programs
35 listed in subsection (d) beginning not later than July 1, 2018. The
36 evaluating entity shall complete a report on the agencies and
37 programs for presentation to the committee by April 1, 2019. The
38 committee shall consider the report for the introduction of
39 legislation for the 2020 regular legislative session.

40 (d) The following agencies and programs are scheduled for
41 evaluation and termination under this section:

- 42 (1) Department of agriculture (IC 15-11-2-1).

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1 (2) Indiana economic development corporation (IC 5-28-3-1).
2 (3) Indiana finance authority (IC 4-4-11).
3 (4) Department of workforce development (IC 22-4-18-1).
4 **Sec. 8. (a) The agencies and programs listed in subsection (d)**
5 **concerning conservation and environment are scheduled to be:**
6 (1) evaluated under this article beginning July 1, 2019; and
7 (2) terminated, along with all powers, duties, and functions
8 adhering to them, effective June 30, 2021.
9 **(b) The council shall appoint a committee to oversee the**
10 **evaluations under this section not later than July 1, 2019. The**
11 **committee appointed under this subsection terminates June 30,**
12 **2022.**
13 **(c) The committee appointed under subsection (b) shall direct an**
14 **evaluating entity to begin evaluating the agencies and programs**
15 **listed in subsection (d) beginning not later than July 1, 2019. The**
16 **evaluating entity shall complete a report on the agencies and**
17 **programs for presentation to the committee by April 1, 2020. The**
18 **committee shall consider the report for the introduction of**
19 **legislation for the 2021 regular legislative session.**
20 **(d) The following agencies and programs are scheduled for**
21 **evaluation and termination under this section:**
22 (1) Department of natural resources (IC 14-9-1-1).
23 (2) Indiana war memorials commission (IC 10-18-1-2).
24 (3) Indiana White River state park development commission
25 (IC 14-13-1-5).
26 (4) St. Joseph River basin commission (IC 14-30-3-5).
27 (5) Department of environmental management (IC 13-13-1-1).
28 (6) Office of environmental adjudication (IC 4-21.5-7-3).
29 **Sec. 9. (a) The agencies and programs listed in subsection (d)**
30 **concerning general government are scheduled to be:**
31 (1) evaluated under this article beginning July 1, 2020; and
32 (2) terminated, along with all powers, duties, and functions
33 adhering to them, effective June 30, 2022.
34 **(b) The council shall appoint a committee to oversee the**
35 **evaluations under this section not later than July 1, 2020. The**
36 **committee appointed under this subsection terminates June 30,**
37 **2023.**
38 **(c) The committee appointed under subsection (b) shall direct an**
39 **evaluating entity to begin evaluating the agencies and programs**
40 **listed in subsection (d) beginning not later than July 1, 2020. The**
41 **evaluating entity shall complete a report on the agencies and**
42 **programs for presentation to the committee by April 1, 2021. The**

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1 committee shall consider the report for the introduction of
2 legislation for the 2022 regular legislative session.

3 (d) The following agencies and programs are scheduled for
4 evaluation and termination under this section:

- 5 (1) State board of accounts (IC 5-11-1-1).
- 6 (2) Office of management and budget (IC 4-3-22-3).
- 7 (3) Budget agency (IC 4-12-1-3).
- 8 (4) Department of state revenue (IC 6-8.1-2-1).
- 9 (5) Indiana horse racing commission (IC 4-31-3-1).
- 10 (6) Department of local government finance (IC 4-22-5).
- 11 (7) Indiana board of tax review (IC 6-1.5-2-1).
- 12 (8) Indiana department of administration (IC 4-13-1-2).
- 13 (9) State personnel department (IC 4-15-2.2-13).
- 14 (10) Office of technology (IC 4-13.1-2-1).
- 15 (11) Commission on public records (IC 5-15-5.1-3).
- 16 (12) Office of the public access counselor (IC 5-14-4-5).
- 17 (13) Office of the inspector general (IC 4-2-7-2).

18 Sec. 10. Each agency or program that is not terminated under
19 this chapter is subject to the evaluation and termination process
20 ten (10) years after the initial evaluation under this chapter and
21 every ten (10) years thereafter.

22 Sec. 11. (a) The governor, by executive order, may delay the
23 date on which an agency or a program is terminated for one (1)
24 year beyond the date of termination specified by this chapter if, in
25 the governor's opinion, the delay will have a beneficial effect for
26 the state on the:

- 27 (1) orderly and adequate provision of government services;
- 28 (2) safety of persons or property;
- 29 (3) economy;
- 30 (4) natural environment; or
- 31 (5) well-being of individuals.

32 (b) There is appropriated to any agency or program for which
33 the governor delays the date of termination the same sum from the
34 same sources of funds that the agency or program received for its
35 appropriation in the fiscal year before its original date for
36 termination.

37 (c) All powers, duties, and functions of an agency or a program
38 for which the governor delays the date of termination continue in
39 full force and effect during the delay period.

40 (d) An agency or a program may not be continued by executive
41 order for more than one (1) period of one (1) year.

42 Chapter 6. Termination Procedures

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1 **Sec. 1. An agency or a program is terminated under this article**
2 **unless the general assembly enacts legislation to continue the**
3 **agency or program. If an agency or a program is terminated under**
4 **this article, the procedures in this chapter apply.**

5 **Sec. 2. Any balance in any fund appropriated for an agency or**
6 **a program that is terminated reverts to the fund from which the**
7 **appropriation was made.**

8 **Sec. 3. If the functions of an agency or a program are**
9 **transferred to another state agency or program, the balance of any**
10 **money appropriated to the agency or program from which the**
11 **duties were transferred shall be transferred to the agency or**
12 **program responsible for continuing the duties of the agency or**
13 **program. If the functions of an agency or a program are**
14 **transferred to another state agency or program, any rules of the**
15 **agency or program being transferred are transferred to the agency**
16 **or program responsible for continuing the duties of the agency or**
17 **program.**

18 **Sec. 4. All assets and liabilities of an agency or a program that**
19 **is terminated shall be disposed of or redistributed according to the**
20 **legislation enacted to terminate or transfer the agency or program.**

21 **Sec. 5. The governor shall take action necessary to effect an**
22 **orderly termination of an agency or a program that is terminated**
23 **under this chapter.**

24 **Chapter 7. Other Agencies**

25 **Sec. 1. A proposal to create a new agency or program must**
26 **include a cost benefit analysis of the services to be provided by the**
27 **new agency or program using the criteria set forth in IC 4-24.5-3.**

28 **Sec. 2. If legislation creating a new agency or program after**
29 **June 30, 2012, does not include a provision setting the date for**
30 **termination of the agency or program, the council shall add the**
31 **agency or program to the list of agencies or programs under**
32 **IC 4-24.5-5-1 through IC 4-24.5-5-9 most closely related to the**
33 **agency or program and shall evaluate the agency or program with**
34 **the agencies or programs with similar functions.**

35 **Sec. 3. If an agency is in existence on July 1, 2012, or is created**
36 **by the 2012 session of the general assembly and is not included for**
37 **review in IC 4-24.5-5, the council may include the agency with**
38 **agencies listed in IC 4-24.5-5 to which it is most closely related.**

39 **Chapter 8. Financial Information**

40 **Sec. 1. (a) Because of the importance to the financial well being**
41 **of the state of accurate and timely information concerning the**
42 **financial standing of the state, notwithstanding IC 4-24.5-5-9, the**

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1 council shall, at the first meeting of the council following the
2 adjournment of the 2012 session of the general assembly,
3 immediately establish a committee to study the way money is
4 received by the state and transferred to the appropriate funds or
5 accounts.

6 (b) The committee consists of eight (8) members of the general
7 assembly. The speaker of the house of representatives shall appoint
8 four (4) members of the house of representatives, not more than
9 two (2) of whom shall be of the same political party, as members of
10 the committee, and the president pro tempore of the senate shall
11 appoint four (4) members of the senate, not more than two (2) of
12 whom shall be of the same political party, as members of the
13 committee.

14 (c) The committee shall:

15 (1) direct the staff of the legislative council to conduct the
16 study required under subsection (a); or

17 (2) contract with any evaluating entity, or any other entity to
18 conduct the study.

19 (d) Not later than November 1, 2012, the committee shall report
20 to the council on any findings and recommendations based on the
21 study including any legislation needed for introduction in the 2013
22 session of the general assembly to ensure the proper distribution of
23 revenue received by the state and the proper reporting of revenue
24 received.

25 (e) This section expires December 31, 2012.

26 SECTION 5. An emergency is declared for this act.

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