

SENATE BILL No. 163

DIGEST OF INTRODUCED BILL

Citations Affected: IC 2-7-5-6; IC 3-8-1; IC 5-10-17.

Synopsis: Limits on tenure and compensation. Provides that an individual may not be registered as a lobbyist for more than ten years. Provides that the number of years an individual has been registered as a lobbyist before July 1, 2013, may not be considered for purposes of applying the limitation. Provides that an individual may not be a candidate for election to the general assembly if, at the expiration of the term to which the individual would be elected, the individual would have served more than 16 years as a member of the general assembly. Provides that years served in the general assembly before November 5, 2014, are not considered for determining application of this limitation. Provides that an individual may not be employed by or provide personal services under contract to any Indiana government body for more than ten years during the individual's lifetime. Provides that an individual may not receive during the individual's lifetime more than \$1,000,000 in compensation derived from government funds. Provides that time employed or under contract and compensation received before July 1, 2013, are not considered for purposes of applying these limitations.

Effective: July 1, 2013.

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January 7, 2013, read first time and referred to Committee on Rules and Legislative Procedure.

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First Regular Session 118th General Assembly (2013)

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 2012 Regular Session of the General Assembly.

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SENATE BILL No. 163



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

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

- 1 SECTION 1. IC 2-7-5-6, AS AMENDED BY P.L.172-2011,
- 2 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 3 JULY 1, 2013]: Sec. 6. The following persons may not be registered as
- 4 a lobbyist under this article:
- 5 (1) Any individual convicted of a felony for violating any law
- 6 while the individual was an officer or employee of any agency of
- 7 state government or a unit of local government.
- 8 (2) Any person convicted of a felony relating to lobbying.
- 9 (3) Any person convicted of a felony and who:
- 10 (A) is in prison;
- 11 (B) is on probation; or
- 12 (C) has been in prison or on probation within the immediate
- 13 past one (1) year.
- 14 (4) Any person: ~~whose~~:
- 15 (A) **whose** statement or report required to be filed under this
- 16 article was found to be materially incorrect as a result of a
- 17 determination under IC 2-7-6-5; and



- 1 (B) who has not filed a corrected statement or report for that
 2 year when requested to do so by the commission.
 3 (5) Any person who has failed to pay a civil penalty assessed
 4 under IC 2-7-6-5.
 5 (6) Any person who is on the most recent tax warrant list supplied
 6 to the commission by the department of state revenue until:
 7 (A) the person provides a statement to the commission
 8 indicating that the person's tax warrant has been satisfied; or
 9 (B) the commission receives a notice from the commissioner
 10 of the department of state revenue under IC 6-8.1-8-2(k).
 11 **(7) An individual who has been registered under this article**
 12 **for ten (10) years. For purposes of this subdivision, the**
 13 **number of years an individual has been registered as a**
 14 **lobbyist before July 1, 2013, may not be considered in**
 15 **determining whether the limitation of this subsection applies**
 16 **to the individual.**

17 SECTION 2. IC 3-8-1-13 IS AMENDED TO READ AS FOLLOWS
 18 [EFFECTIVE JULY 1, 2013]: Sec. 13. (a) A candidate for the office
 19 of senator in the general assembly must:

- 20 (1) be a United States citizen at the time of election;
 21 (2) have resided in the state for at least two (2) years and in the
 22 senate district for at least one (1) year before the election; and
 23 (3) be at least twenty-five (25) years old upon taking office;

24 as provided in Article 4, Section 7 of the Constitution of the State of
 25 Indiana.

26 **(b) An individual may not be a candidate for the office of**
 27 **senator in the general assembly if, at the expiration of the term to**
 28 **which the individual would be elected, the sum of:**

- 29 **(1) the number of years the individual has served as a senator**
 30 **in the general assembly; and**
 31 **(2) the number of years the individual has served as a**
 32 **representative in the general assembly;**

33 **would be greater than sixteen (16) years. For purposes of this**
 34 **subsection, the number of years an individual serves as a senator**
 35 **or a representative before November 5, 2014, may not be**
 36 **considered in determining whether the limitation of this subsection**
 37 **applies to the individual.**

38 SECTION 3. IC 3-8-1-14 IS AMENDED TO READ AS FOLLOWS
 39 [EFFECTIVE JULY 1, 2013]: Sec. 14. (a) A candidate for the office
 40 of representative in the general assembly must:

- 41 (1) be a United States citizen at the time of election;
 42 (2) have resided in the state for at least two (2) years and in the

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1 house district for at least one (1) year before the election; and
 2 (3) be at least twenty-one (21) years old upon taking office;
 3 as provided in Article 4, Section 7 of the Constitution of the State of
 4 Indiana.

5 **(b) An individual may not be a candidate for the office of**
 6 **representative in the general assembly if, at the expiration of the**
 7 **term to which the individual would be elected, the sum of:**

8 **(1) the number of years the individual has served as a senator**
 9 **in the general assembly; and**

10 **(2) the number of years the individual has served as a**
 11 **representative in the general assembly;**
 12 **would be greater than sixteen (16) years. For purposes of this**
 13 **subsection, the number of years an individual serves as a senator**
 14 **or a representative before November 5, 2014, may not be**
 15 **considered in determining whether the limitation of this subsection**
 16 **applies to the individual.**

17 SECTION 4. IC 5-10-17 IS ADDED TO THE INDIANA CODE AS
 18 A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY
 19 1, 2013]:

20 **Chapter 17. Limitations on Employment Funded by the State**
 21 **and Political Subdivisions**

22 **Sec. 1. (a) This chapter applies to the following:**

23 **(1) An employee of the state.**

24 **(2) An employee of a political subdivision.**

25 **(3) An individual who receives all or part of the individual's**
 26 **compensation, whether as an employee or under a contract,**
 27 **from government funds.**

28 **(b) This chapter does not apply to an individual who holds an**
 29 **office established by the Constitution of the State of Indiana.**

30 **Sec. 2. For purposes of this chapter:**

31 **(1) time that an individual has been employed by a**
 32 **government body; or**

33 **(2) compensation paid to an individual;**

34 **before July 1, 2013, may not be considered for purposes of**
 35 **applying the limitations of this chapter to the individual.**

36 **Sec. 3. As used in this chapter, "compensation" refers to money:**

37 **(1) paid to an individual as an employee or under a contract**
 38 **for personal services, after deduction of amounts for:**

39 **(A) federal, state, and local taxes;**

40 **(B) retirement or pension contributions or deferred**
 41 **compensation; and**

42 **(C) contributions made for life insurance, long term care,**

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1 or health insurance, including medical, dental, and vision
 2 coverage; and
 3 (2) derived from government funds.
 4 Sec. 4. As used in this chapter, "government body" means an
 5 agency, a board, a branch, a bureau, a commission, a council, a
 6 department, an institution, an office, or another establishment of
 7 any of the following:
 8 (1) The executive branch.
 9 (2) The judicial branch.
 10 (3) The legislative branch.
 11 (4) A political subdivision.
 12 Sec. 5. As used in this chapter, "government funds" refers to
 13 money derived by the state or a political subdivision from taxes
 14 imposed by the state or the political subdivision.
 15 Sec. 6. As used in this chapter, "political subdivision" has the
 16 meaning set forth in IC 36-1-2-13.
 17 Sec. 7. (a) This section applies to an individual regardless of
 18 whether the individual is employed by a government body or
 19 another employer.
 20 (b) Subject to section 8 of this chapter, the sum of the time that
 21 an individual is:
 22 (1) employed or retained under contract to provide personal
 23 services; and
 24 (2) paid compensation;
 25 may not be greater than ten (10) years.
 26 Sec. 8. (a) This section applies to an individual regardless of
 27 whether the individual receives compensation from a government
 28 body or another employer.
 29 (b) An individual may not receive during the individual's
 30 lifetime compensation of more than one million dollars (\$1,000,000)
 31 derived from government funds.
 32 Sec. 9. (a) This section applies only to an employer that is a
 33 government body.
 34 (b) The government body shall notify an employee or an
 35 individual who has a contract for personal services with the
 36 government body:
 37 (1) not more than eighteen (18) months; and
 38 (2) not less than twelve (12) months;
 39 before the employee or the individual will reach a limitation
 40 imposed by this chapter.
 41 (c) The notice under subsection (b) must contain the following
 42 information:

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1 (1) Identification of the calendar quarter and the year during
 2 which the government body expects the individual will reach
 3 a limitation imposed by this chapter.

4 (2) The following information:

5 (A) If the individual is an employee of the government
 6 body, that the employee will be retired from employment
 7 at the end of the calendar quarter and year identified
 8 under subdivision (1).

9 (B) If the individual has a contract for personal services,
 10 that the individual's contract will terminate at the end of
 11 the calendar quarter and year identified under subdivision
 12 (1).

13 (3) The date that:

14 (A) the employee's retirement will become effective; or

15 (B) the individual's contract will be terminated.

16 (4) If the individual is an employee, information relating to
 17 the employer's procedures and benefits for retiring employees
 18 to which the employee is entitled. Notice fulfills the
 19 requirements of this subdivision if the notice directs the
 20 employee to another source for this information.

21 (d) An employee who reaches a limitation imposed by this
 22 chapter is considered to have retired from employment on the last
 23 day of the calendar quarter during which the limitation is reached.

24 (e) A contract for personal services of an individual who reaches
 25 a limitation imposed by this chapter is terminated on the last day
 26 of the calendar quarter during which the limitation is reached.

27 Sec. 10. (a) This section applies only to an employer other than
 28 a government body.

29 (b) An employer may not use compensation, whether obtained
 30 by contract, grant, or other procedure, to pay an individual, either
 31 as an employee or under a contract for personal services, if any of
 32 the following apply:

33 (1) The individual was retired under section 9 of this chapter.

34 (2) The individual's contract for personal services was
 35 terminated under section 9 of this chapter.

36 (3) During the individual's lifetime, the individual has been
 37 paid, either as an employee or under a contract for personal
 38 services, compensation:

39 (A) for ten (10) years; or

40 (B) in an amount of at least one million dollars
 41 (\$1,000,000).

42 (c) An employer is not required to terminate the employment or

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1 **terminate the contract of an individual described in subsection (b)**
2 **if the individual is paid from money other than government funds**
3 **after the calendar quarter during which the individual reaches the**
4 **limitation imposed by this chapter.**

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