
PRELIMINARY DRAFT
No. 3737

PREPARED BY
LEGISLATIVE SERVICES AGENCY
2005 GENERAL ASSEMBLY

DIGEST

Citations Affected: Numerous provisions throughout the Indiana Code.

Effective: July 1, 2005.

Synopsis: Title 20 cross references. First draft of changes to Title 20 cross references.



A BILL FOR AN ACT to amend the Indiana Code concerning education.

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

1 SECTION 1. IC 2-3.5-1-2 IS AMENDED TO READ AS
2 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. (a) A member of the
3 general assembly who is serving on April 30, 1989, may elect to
4 become a participant in both the defined benefit plan and the defined
5 contribution plan of the legislators' retirement system, as provided by
6 IC 2-3.5-3-1. If such a member does not elect to become a participant
7 in the legislators' retirement system, that member is not affected by this
8 article and is instead covered by IC 5-10.2, IC 5-10.3, and IC 21-6.1.

9 (b) Notwithstanding IC 5-10.3-7-2 or any other law, a member of
10 the general assembly who is a participant in the legislators' defined
11 benefit plan shall also be a member of PERF or TRF while serving in
12 another position covered by PERF or TRF. However, the following
13 provisions apply to a participant who is also a member of PERF or
14 TRF:

15 (1) The PERF board or TRF board shall include the participant's
16 years of service in the general assembly in the determination of
17 eligibility for benefits under PERF or TRF.

18 (2) Except as provided in subdivision (4), the PERF board or TRF
19 board shall not include in the computation of benefits from PERF
20 or TRF the participant's:

21 (A) salary as a member of the general assembly; or

22 (B) years of service as a member of the general assembly.

23 (3) The participant is not required to make annuity contributions
24 to PERF or TRF for service as a member of the general assembly
25 after July 1, 1989.

26 (4) IC 5-10.2-4-3.1 and the special provisions for members of the
27 general assembly in IC 5-10.2-3-7.5, IC 5-10.3-7-3, IC 5-10.3-7-7,
28 IC 5-10.3-8-2, ~~IC 20-6.1-6-14~~, **IC 20-28-10-16**, and
29 IC 21-6.1-5-7.5 do apply to the determination of the participant's
30 benefits under PERF and TRF for benefits earned before July 1,
31 1989. IC 5-10.2-4-3.1 and the special provisions for members of



1 the general assembly in IC 5-10.2-3-7.5, IC 5-10.3-7-3,
 2 IC 5-10.3-7-7, IC 5-10.3-8-2, ~~IC 20-6.1-6-14(c)~~;
 3 **IC 20-28-10-16(b)**, and IC 21-6.1-5-7.5 do not apply to the
 4 determination of the participant's benefits under PERF or TRF for
 5 benefits earned after June 30, 1989.

6 SECTION 2. IC 2-3.5-1-4 IS AMENDED TO READ AS
 7 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. (a) A member of the
 8 general assembly who:

9 (1) served as a member of the general assembly before April 30,
 10 1989;

11 (2) was not serving as a member of the general assembly on April
 12 30, 1989; and

13 (3) is subsequently elected or appointed to the general assembly;
 14 is a participant in the defined contribution plan of the legislators'
 15 retirement system.

16 (b) The PERF and TRF benefits earned by a participant described
 17 in subsection (a) before July 1, 1989, for service as a member of the
 18 general assembly or in another covered position, are not affected by
 19 this article. However, the following provisions apply to such a
 20 participant who is also a member of PERF or TRF:

21 (1) The PERF board or TRF board shall include the participant's
 22 years of service in the general assembly in the determination of
 23 eligibility for benefits under PERF or TRF.

24 (2) The PERF board or TRF board shall not include in the
 25 computation of benefits from PERF or TRF the participant's:

26 (A) salary as a member of the general assembly that is
 27 received after July 1, 1989; or

28 (B) years of service as a member of the general assembly after
 29 July 1, 1989.

30 (3) The participant is not required to make annuity contributions
 31 to PERF or TRF for service as a member of the general assembly
 32 after July 1, 1989.

33 (4) If IC 5-10.2-4-3.1 or any of the special provisions for members
 34 of the general assembly in IC 5-10.2-3-7.5, IC 5-10.3-7-3,
 35 IC 5-10.3-7-7, IC 5-10.3-8-2, ~~IC 20-6.1-6-14~~, **IC 20-28-10-16**,
 36 and IC 21-6.1-5-7.5 applied to the determination of the
 37 participant's benefits under PERF or TRF before July 1, 1989,
 38 those provisions do not apply to the determination of the
 39 participant's benefits under PERF or TRF for benefits earned after
 40 July 1, 1989.

41 SECTION 3. IC 3-7-24-5 IS AMENDED TO READ AS FOLLOWS
 42 [EFFECTIVE JULY 1, 2005]: Sec. 5. Each public library or county
 43 contractual public library established under ~~IC 20-14~~ **IC 36-12** is a
 44 distribution site for registration by mail forms.

45 SECTION 4. IC 3-7-24-6 IS AMENDED TO READ AS FOLLOWS
 46 [EFFECTIVE JULY 1, 2005]: Sec. 6. Each state educational institution



1 (as defined in IC 20-12-0.5-1) is a distribution site for registration by
2 mail forms.

3 SECTION 5. IC 3-8-1-34 IS AMENDED TO READ AS FOLLOWS
4 [EFFECTIVE JULY 1, 2005]: Sec. 34. (a) A candidate for a school
5 board office must have resided in the school corporation for at least one
6 (1) year before the election, unless a longer period is required under
7 IC 20.

8 (b) This subsection applies to a candidate for school board office
9 seeking to represent an election district that consists of less than the
10 entire school corporation. The candidate must have resided in the
11 election district for at least one (1) year before the election, unless a
12 longer period is required under IC 20.

13 SECTION 6. IC 3-8-2-2.2 IS AMENDED TO READ AS
14 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2.2. (a) A candidate for
15 a school board office must file a petition of nomination in accordance
16 with IC 3-8-6 and as required under ~~IC 20-3~~ **IC 20-23-12, IC 20-23-14,**
17 **IC 20-23-15, IC 20-25-3, IC 20-25-4, IC 20-25-5,** or ~~IC 20-4:~~
18 **IC 20-23-4.** The petition of nomination, once filed, serves as the
19 candidate's declaration of candidacy for a school board office.

20 (b) A candidate for a school board office is not required to file a
21 statement of organization for the candidate's principal committee by
22 noon seven (7) days after the final date for filing a petition of
23 nomination or declaration of intent to be a write-in candidate unless the
24 candidate has received contributions or made expenditures requiring
25 the filing of a statement under IC 3-9-1-5.5.

26 SECTION 7. IC 3-12-9-1 IS AMENDED TO READ AS FOLLOWS
27 [EFFECTIVE JULY 1, 2005]: Sec. 1. (a) Whenever a tie vote at an
28 election for:

- 29 (1) a federal office;
- 30 (2) a state office (other than governor and lieutenant governor);
- 31 (3) a legislative office;
- 32 (4) a circuit office; or
- 33 (5) a school board office not covered under ~~IC 20-4-1~~ **IC 20-23-4**
34 or ~~IC 20-4-8;~~ **IC 20-23-7.**

35 occurs, a special election shall be held.

36 (b) Whenever a tie vote occurs at a primary election for the
37 nomination of a candidate to be voted for at the general or municipal
38 election, IC 3-13-1-17 applies.

39 SECTION 8. IC 4-1-8-1 IS AMENDED TO READ AS FOLLOWS
40 [EFFECTIVE JULY 1, 2005]: Sec. 1. (a) No individual may be
41 compelled by any state agency, board, commission, department,
42 bureau, or other entity of state government (referred to as "state
43 agency" in this chapter) to provide the individual's Social Security
44 number to the state agency against the individual's will, absent federal
45 requirements to the contrary. However, the provisions of this chapter
46 do not apply to the following:



- 1 (1) Department of state revenue.
 2 (2) Department of workforce development.
 3 (3) The programs administered by:
 4 (A) the division of family and children;
 5 (B) the division of mental health and addiction;
 6 (C) the division of disability, aging, and rehabilitative services;
 7 and
 8 (D) the office of Medicaid policy and planning;
 9 of the office of the secretary of family and social services.
 10 (4) Auditor of state.
 11 (5) State personnel department.
 12 (6) Secretary of state, with respect to the registration of
 13 broker-dealers, agents, and investment advisors.
 14 (7) The legislative ethics commission, with respect to the
 15 registration of lobbyists.
 16 (8) Indiana department of administration, with respect to bidders
 17 on contracts.
 18 (9) Indiana department of transportation, with respect to bidders
 19 on contracts.
 20 (10) Health professions bureau.
 21 (11) Indiana professional licensing agency.
 22 (12) Indiana department of insurance, with respect to licensing of
 23 insurance producers.
 24 (13) A pension fund administered by the board of trustees of the
 25 public employees' retirement fund.
 26 (14) The Indiana state teachers' retirement fund.
 27 (15) The state police benefit system.
 28 (16) The alcohol and tobacco commission.
 29 (b) The bureau of motor vehicles may, notwithstanding this chapter,
 30 require the following:
 31 (1) That an individual include the individual's Social Security
 32 number in an application for an official certificate of title for any
 33 vehicle required to be titled under IC 9-17.
 34 (2) That an individual include the individual's Social Security
 35 number on an application for registration.
 36 (3) That a corporation, limited liability company, firm,
 37 partnership, or other business entity include its federal tax
 38 identification number on an application for registration.
 39 (c) The Indiana department of administration, the Indiana
 40 department of transportation, the health professions bureau, and the
 41 Indiana professional licensing agency may require an employer to
 42 provide its federal employer identification number.
 43 (d) The department of correction may require a committed offender
 44 to provide the offender's Social Security number for purposes of
 45 matching data with the Social Security Administration to determine
 46 benefit eligibility.



1 (e) The Indiana gaming commission may, notwithstanding this
2 chapter, require the following:

3 (1) That an individual include the individual's Social Security
4 number in any application for a riverboat owner's license,
5 supplier's license, or occupational license.

6 (2) That a sole proprietorship, a partnership, an association, a
7 fiduciary, a corporation, a limited liability company, or any other
8 business entity include its federal tax identification number on an
9 application for a riverboat owner's license or supplier's license.

10 (f) Notwithstanding this chapter, the professional standards board
11 established by ~~IC 20-1-1-4-2~~ **IC 20-28-2-1** may require an individual
12 who applies to the board for a license or an endorsement to provide the
13 individual's Social Security number. The Social Security number may
14 be used by the board only for conducting a background investigation,
15 if the board is authorized by statute to conduct a background
16 investigation of an individual for issuance of the license or
17 endorsement.

18 SECTION 9. IC 4-6-2-1.5 IS AMENDED TO READ AS
19 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1.5. (a) Whenever any
20 state governmental official or employee, whether elected or appointed,
21 is made a party to a suit, and the attorney general determines that said
22 suit has arisen out of an act which such official or employee in good
23 faith believed to be within the scope of his duties as prescribed by
24 statute or duly adopted regulation, the attorney general shall defend
25 such person throughout such action.

26 (b) Whenever a teacher (as defined in ~~IC 20-6-1-1-8~~)
27 **IC 20-18-2-1**) is made a party to a civil suit, and the attorney
28 general determines that the suit has arisen out of an act that the teacher
29 in good faith believed was within the scope of the teacher's duties in
30 enforcing discipline policies developed under IC 20-8.1-5-2(e), the
31 attorney general shall defend the teacher throughout the action.

32 (c) A determination by the attorney general under subsection (a) or
33 (b) shall not be admitted as evidence in the trial of any such civil action
34 for damages.

35 (d) Nothing in this chapter shall be construed to deprive any such
36 person of his right to select counsel of his own choice at his own
37 expense.

38 SECTION 10. IC 4-10-15-2 IS AMENDED TO READ AS
39 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. The warrants may be
40 drawn for the necessary and current expenses of the following:

41 (1) All psychiatric hospitals (as defined in IC 12-7-2-184).

42 (2) The Indiana School for the Deaf, established by ~~IC 20-16-~~
43 **IC 20-22.**

44 (3) The Indiana School for the Blind, established by ~~IC 20-15-~~
45 **IC 20-21.**

46 (4) The Indiana Veterans' Home.



1 (5) The Plainfield Juvenile Correctional Facility.

2 SECTION 11. IC 4-12-1-13 IS AMENDED TO READ AS
3 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 13. (a) During the
4 interval between sessions of the general assembly, the budget agency
5 shall make regular or, at the request of the governor, special
6 inspections of the respective institutions of the state supported by
7 public funds. The budget agency shall report regularly to the governor
8 relative to the physical condition of such institutions, and any
9 contemplated action of the institution on a new or important matter,
10 and on any other subject which such agency may deem pertinent or on
11 which the governor may require information. The budget agency shall
12 likewise familiarize itself with the best and approved practices in each
13 of such institutions and supply such information to other institutions to
14 make their operation more efficient and economical.

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

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

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



1 entered into by:

2 (1) a college or university supported in whole or in part by state
3 funds; or

4 (2) an agency of the state if the contract is not required to be
5 approved by the budget agency under IC 4-13-2-14.1.

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

10 (f) The budget agency is responsible for reviewing and advising the
11 governor, as chief executive of the state, or the governor's designee, as
12 to whether any agreement reached pursuant to public employee
13 collective bargaining as provided by statute, other than ~~IC 20-7.5-1~~,
14 **IC 20-29**, is within the money legally available to the state as an
15 employer.

16 (g) The budget director, or the director's designee, may serve as a
17 member of the negotiating team selected to represent the state as an
18 employer in the public employee collective bargaining procedure
19 pursuant to statute, other than ~~IC 20-7.5-1~~ **IC 20-29**.

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

25 SECTION 12. IC 4-12-12-6 IS AMENDED TO READ AS
26 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6. Money in the
27 account that is not otherwise designated under section 3 of this chapter
28 is annually dedicated to the following:

29 (1) The certified school to career program and grants under
30 IC 22-4.1-8.

31 (2) The certified internship program and grants under IC 22-4.1-7.

32 (3) The Indiana economic development partnership fund under
33 IC 4-12-10.

34 (4) Minority training program grants under IC 22-4-18.1-11.

35 (5) Technology apprenticeship grants under IC 20-1-18.7.

36 (6) The back home in Indiana program under IC 22-4-18.1-12.

37 (7) The Indiana schools smart partnership under IC 22-4.1-9.

38 (8) The scientific instrument project within the department of
39 education.

40 (9) The coal technology research fund under IC 4-4-30-8.

41 SECTION 13. IC 4-13-1.6-3 IS AMENDED TO READ AS
42 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. (a) As used in this
43 chapter, "major equipment item" refers to any item that a school
44 corporation considers:

45 (1) a significant equipment purchase; and

46 (2) reasonably likely to be purchased by several school



1 corporations.

2 (b) The term does not include the following:

3 (1) A textbook that has been adopted under ~~IC 20-10-1-9~~:

4 **IC 20-20-5.**

5 (2) A special purpose bus (as defined in ~~IC 20-9-1-1-4.5~~):

6 **IC 20-27-2-10).**

7 (3) A school bus (as defined in ~~IC 20-9-1-1-5~~): **IC 20-27-2-8).**

8 SECTION 14. IC 4-13-1.6-5 IS AMENDED TO READ AS
9 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. As used in this
10 chapter, "school corporation" has the meaning set forth in
11 ~~IC 20-10-1-1-1~~: **IC 20-18-2-[??].**

12 SECTION 15. IC 4-13-2-20 IS AMENDED TO READ AS
13 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 20. (a) Except as
14 otherwise provided in this section, IC 20-1-1.8-17.2, or IC 12-8-10-7,
15 payment for any services, supplies, materials, or equipment shall not be
16 paid from any fund or state money in advance of receipt of such
17 services, supplies, materials, or equipment by the state.

18 (b) With the prior approval of the budget agency, payment may be
19 made in advance for any of the following:

20 (1) War surplus property.

21 (2) Property purchased or leased from the United States
22 government or its agencies.

23 (3) Dues and subscriptions.

24 (4) License fees.

25 (5) Insurance premiums.

26 (6) Utility connection charges.

27 (7) Federal grant programs where advance funding is not
28 prohibited and, except as provided in subsection (i), the
29 contracting party posts sufficient security to cover the amount
30 advanced.

31 (8) Grants of state funds authorized by statute.

32 (9) Employee expense vouchers.

33 (10) Beneficiary payments to the administrator of a program of
34 self-insurance.

35 (11) Services, supplies, materials, or equipment to be received
36 from an agency or from a body corporate and politic.

37 (12) Expenses for the operation of offices that represent the state
38 under contracts with the department of commerce and that are
39 located outside Indiana.

40 (13) Services, supplies, materials, or equipment to be used for
41 more than one (1) year under a discounted contractual
42 arrangement funded through a designated leasing entity.

43 (14) Maintenance of equipment and maintenance of software not
44 exceeding an annual amount of one thousand five hundred dollars
45 (\$1,500) for each piece of equipment or each software license.

46 (15) Exhibits, artifacts, specimens, or other unique items of



1 cultural or historical value or interest purchased by the state
2 museum.

3 (c) Any state agency and any state college or university supported
4 in whole or in part by state funds may make advance payments to its
5 employees for duly accountable expenses exceeding ten dollars (\$10)
6 incurred through travel approved by the employee's respective agency
7 director in the case of a state agency and by a duly authorized person
8 in the case of any such state college or university.

9 (d) The auditor of state may, with the approval of the budget agency
10 and of the commissioner of the Indiana department of administration:

11 (1) appoint a special disbursing officer for any state agency or
12 group of agencies where it is necessary or expedient that a special
13 record be kept of a particular class of disbursements or where
14 disbursements are made from a special fund; and

15 (2) approve advances to the special disbursing officer or officers
16 from any available appropriation for the purpose.

17 (e) The auditor of state shall issue the auditor's warrant to the
18 special disbursing officer to be disbursed by the disbursing officer as
19 provided in this section. Special disbursing officers shall in no event
20 make disbursements or payments for supplies or current operating
21 expenses of any agency or for contractual services or equipment not
22 purchased or contracted for in accordance with this chapter and
23 IC 5-22. No special disbursing officer shall be appointed and no money
24 shall be advanced until procedures covering the operations of special
25 disbursing officers have been adopted by the Indiana department of
26 administration and approved by the budget agency. These procedures
27 must include the following provisions:

28 (1) Provisions establishing the authorized levels of special
29 disbursing officer accounts and establishing the maximum
30 amount which may be expended on a single purchase from special
31 disbursing officer funds without prior approval.

32 (2) Provisions requiring that each time a special disbursing officer
33 makes an accounting to the auditor of state of the expenditure of
34 the advanced funds, the auditor of state shall request that the
35 Indiana department of administration review the accounting for
36 compliance with IC 5-22.

37 (3) A provision that, unless otherwise approved by the
38 commissioner of the Indiana department of administration, the
39 special disbursing officer must be the same individual as the
40 procurements agent under IC 4-13-1.3-5.

41 (4) A provision that each disbursing officer be trained by the
42 Indiana department of administration in the proper handling of
43 money advanced to the officer under this section.

44 (f) The commissioner of the Indiana department of administration
45 shall cite in a letter to the special disbursing officer the exact purpose
46 or purposes for which the money advanced may be expended.



1 (g) A special disbursing officer may issue a check to a person
2 without requiring a certification under IC 5-11-10-1 if the officer:

- 3 (1) is authorized to make the disbursement; and
4 (2) complies with procedures adopted by the state board of
5 accounts to govern the issuance of checks under this subsection.

6 (h) A special disbursing officer is not personally liable for a check
7 issued under subsection (g) if:

- 8 (1) the officer complies with the procedures described in
9 subsection (g); and
10 (2) funds are appropriated and available to pay the warrant.

11 (i) For contracts entered into between the department of workforce
12 development or the Indiana commission on vocational and technical
13 education and:

- 14 (1) a school corporation (as defined in ~~IC 20-10-1-1-1~~;
15 **IC 20-18-2-1-1**); or
16 (2) a state educational institution (as defined in IC 20-12-0.5-1);
17 the contracting parties are not required to post security to cover the
18 amount advanced.

19 SECTION 16. IC 4-15-11-1 IS AMENDED TO READ AS
20 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. As used in this
21 chapter, "officer or employee of the state" means the following:

- 22 (1) An elected official or employee of a state administration,
23 agency, authority, board, bureau, commission, committee,
24 council, department, division, institution, office, service, or other
25 similar body of state government created or established by law.
26 (2) A teacher (as defined in ~~IC 20-6-1-1-8~~; **IC 20-18-2-1-1**)

27 The term does not include an employee of a state educational
28 institution (as defined in IC 20-12-0.5-1).

29 SECTION 17. IC 4-23-7.1-1 IS AMENDED TO READ AS
30 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. As used in this
31 chapter:

- 32 (1) "Advisory council" refers to the Indiana state library advisory
33 council established by section 39 of this chapter.
34 (2) "Agency" means any state administration, agency, authority,
35 board, bureau, commission, committee, council, department,
36 division, institution, office, service, or other similar body of state
37 government.
38 (3) "Board" means the Indiana library and historical board
39 established by IC 4-23-7-2.
40 (4) "Department" means the Indiana library and historical
41 department established by IC 4-23-7-1.
42 (5) "Director" means director of the Indiana state library.
43 (6) "Historical bureau" means the Indiana historical bureau
44 established by IC 4-23-7-3.
45 (7) "Public library" has the meaning set forth in ~~IC 20-14-1-2~~.
46 **IC 36-12-1-2.**



1 (8) "State library" means the Indiana state library established by
2 IC 4-23-7-3.

3 (9) "Statewide library card program" refers to the program
4 established by section 5.1 of this chapter.

5 SECTION 18. IC 4-23-7.1-5.1 IS AMENDED TO READ AS
6 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5.1. (a) The state
7 library shall develop and implement a statewide library card program
8 to enable individuals who hold a valid statewide library card to present
9 the statewide library card to borrow:

10 (1) library books; or

11 (2) other items available for public borrowing from public
12 libraries as established by rules adopted by the board under
13 subsection (c);

14 from any public library in Indiana. The statewide library card program
15 is in addition to any reciprocal borrowing agreement entered into
16 between public libraries under ~~IC 20-14-3-6~~ **IC 36-12-3-6** or IC 36-1-7.

17 (b) The statewide library card program developed under this section
18 must provide for at least the following:

19 (1) To be an eligible cardholder of a statewide library card or to
20 renew a statewide library card, the individual must:

21 (A) be a resident of Indiana;

22 (B) ask to receive or renew the statewide library card; and

23 (C) hold a valid resident or nonresident local library card
24 issued to the individual by a public library under ~~IC 20-14-2-8~~.

25 **IC 36-12-2-8.**

26 (2) The individual's public library shall pay a fee to be established
27 by rules adopted by the board under subsection (c) based on not
28 less than forty percent (40%) of the current average operating
29 fund expenditure per borrower by all eligible public libraries as
30 reported annually by the state library in the state library's annual
31 "Statistics of Indiana Libraries". The individual's public library
32 may assess the individual a fee to cover all or part of the costs
33 attributable to the fee required from the public library and the
34 amount charged to all individuals by a public library under this
35 subdivision may not exceed the amount the public library is
36 required to pay under this subdivision.

37 (3) Each statewide library card expires one (1) year after issuance
38 to an eligible cardholder.

39 (4) Statewide library cards are renewable for additional one (1)
40 year periods to eligible cardholders who comply with subdivision
41 (1).

42 (5) Statewide library cards shall be available to eligible
43 cardholders at all public libraries.

44 (6) Each eligible cardholder using a statewide library card is
45 responsible for the return of any borrowed item directly to the
46 public library from which the cardholder borrowed the item.



1 (7) All public libraries shall participate in the statewide library
 2 card program and shall permit an individual who holds a valid
 3 statewide library card to borrow items available for borrowing as
 4 established by rules adopted by the board under subsection (c).

5 (8) A nonresident of a public library taxing district who requests
 6 a statewide library card shall pay a fee for that card that includes,
 7 but is not limited to, the sum of the following:

8 (A) The statewide library card fee that a public library is
 9 required to pay under subdivision (2).

10 (B) The library taxing district's operating fund expenditure per
 11 capita in the most recent year for which that information is
 12 available in the state library's annual "Statistics of Indiana
 13 Libraries".

14 This subdivision does not limit a library district's fee making
 15 ability or a library district's ability to enter township contractual
 16 arrangements.

17 (c) The board shall adopt rules under IC 4-22-2 to implement this
 18 section, including rules governing the following:

19 (1) The amount and manner in which the public libraries shall
 20 remit the fee under subsection (b)(2) to the state library for the
 21 state library's use in conducting the statewide library card
 22 program.

23 (2) The manner of distribution and payment to each eligible
 24 public library district of the funds generated by the statewide
 25 library card program based upon the loans made by each eligible
 26 public library. To be eligible for a payment, the public library
 27 district must also comply with the standards and rules established
 28 under section 11 of this chapter.

29 (3) The manner in which fines, penalties, or other damage
 30 assessments may be charged to eligible cardholders for items:

31 (A) borrowed but not returned;

32 (B) returned to the inappropriate public library;

33 (C) returned after the items were otherwise due; or

34 (D) damaged.

35 (4) The dissemination of the statewide library cards to the public
 36 libraries.

37 (5) Record keeping procedures for the statewide library card
 38 program.

39 (6) Any other pertinent matter.

40 SECTION 19. IC 4-23-7.1-5.2 IS AMENDED TO READ AS
 41 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5.2. (a) As used in this
 42 section, "fund" refers to the statewide library card fund established by
 43 subsection (b).

44 (b) The statewide library card fund is established as a dedicated
 45 fund to be administered by the state library. Money in the fund shall be
 46 disbursed by the director of the state library exclusively for:



- 1 (1) the costs of administering the statewide library card program;
 2 or
 3 (2) distribution to eligible public libraries for services related to
 4 loans of books or other library items under the statewide library
 5 card program.

6 (c) A public library is eligible for a distribution of money from the
 7 fund if the board determines that the public library:

- 8 (1) meets the standards for public libraries established by rules of
 9 the board or the board has granted the public library a waiver
 10 from these standards; and
 11 (2) charges a fee in the amount required under ~~IC 20-14-2-8~~
 12 **IC 36-12-2-8** for issuing a local library card to a nonresident of
 13 the public library district.

14 (d) The board shall adopt rules under IC 4-22-2 to establish a
 15 formula for the distribution of money in the fund to eligible public
 16 libraries. The formula must base the amount of money paid to an
 17 eligible public library upon the number of net loans made by the
 18 eligible public library under the statewide library card program.

19 (e) The fees collected under section 5.1 of this chapter shall be
 20 deposited in the fund. Interest earned on money in the fund shall be
 21 deposited in the fund.

22 (f) Money in the fund is appropriated continuously for the purposes
 23 specified in this section and section 5.1 of this chapter.

24 (g) Money in the fund at the end of a state fiscal year does not revert
 25 to the state general fund. If the fund is abolished, any money in the
 26 fund reverts to the state general fund.

27 SECTION 20. IC 4-23-7.1-29 IS AMENDED TO READ AS
 28 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 29. (a) The Indiana
 29 state library shall distribute to each eligible public library district the
 30 amount the district is entitled to under this section not later than August
 31 1 of each year. The board shall determine each district's distribution,
 32 which may be based on:

- 33 (1) the population served by each eligible public library district;
 34 (2) the level of services offered; and
 35 (3) the loans made by the public library district to others outside
 36 the public library's taxing district.

37 (b) To be eligible for payment under this section, a public library
 38 district shall:

- 39 (1) comply with the standards and rules established under section
 40 11 of this chapter;
 41 (2) comply with ~~IC 20-14~~, **IC 36-12**; and
 42 (3) submit an application on a form prescribed by the Indiana
 43 state library, including a summary of loan data for the previous
 44 year, to the Indiana state library no later than May 1 of each year.

45 (c) Any expenses incurred by the Indiana state library in the
 46 administration and distribution of funds under this section may not be



- 1 charged against funds appropriated for the purposes of this section.
 2 (d) The governing body of a public library district which receives
 3 funds under this section may appropriate the funds for library materials
 4 or expenses associated with the sharing of resources.
- 5 SECTION 21. IC 4-23-26-3 IS AMENDED TO READ AS
 6 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. (a) The committee
 7 consists of the following members:
 8 (1) The director of the children's special health care services
 9 program.
 10 (2) The director of the first steps program.
 11 (3) The chair of the governor's interagency coordinating council
 12 for early intervention.
 13 (4) The chair of the children's special health care services
 14 advisory council under 410 IAC 3.2-11.
 15 (5) The director of the division of special education created under
 16 ~~IC 20-1-6-2.1~~ **IC 20-35-2-1**.
 17 (6) The director of the division of mental health and addiction.
 18 (7) One (1) representative of the Indiana chapter of the American
 19 Academy of Pediatrics.
 20 (8) One (1) representative of a family advocacy group.
 21 (9) Three (3) parents of children with special health needs.
 22 (10) Three (3) parents of children who are enrolled in the:
 23 (A) children's health insurance program under IC 12-17.6; or
 24 (B) Medicaid managed care program for children.
 25 (b) The members under subdivisions (1) and (2) are nonvoting
 26 members.
- 27 SECTION 22. IC 4-34-3-5 IS AMENDED TO READ AS
 28 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. Money in the fund
 29 shall be allocated annually to the technology grant plan program
 30 established under ~~IC 20-10-1-25.3~~ **IC 20-20-13** for the following
 31 purpose:
 32 For technology plan grants to school corporations under
 33 ~~IC 20-10-1-25.3~~ **IC 20-20-13**.
- 34 SECTION 23. IC 4-34-3-6 IS AMENDED TO READ AS
 35 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6. The allocation of
 36 money under sections 4 through 5 of this chapter is subject to:
 37 (1) the availability of money for allocation; and
 38 (2) a recommendation by the Indiana department of education
 39 ~~(IC 20-1-1-1-2)~~ **IC 20-19-3-1** to the ~~state~~ budget agency that a
 40 program is able to utilize the money.
- 41 SECTION 24. IC 5-1.4-1-10 IS AMENDED TO READ AS
 42 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 10. "Qualified entity"
 43 means the following:
 44 (1) A city.
 45 (2) A county.
 46 (3) A special taxing district located wholly within a county.



1 (4) Any entity whose tax levies are subject to review and
2 modification by a city-county legislative body under IC 36-3-6-9.

3 (5) A political subdivision (as defined in IC 36-1-2-13) that is
4 located wholly within a county:

5 (A) that has a population of:

6 (i) more than four hundred thousand (400,000) but less than
7 seven hundred thousand (700,000); or

8 (ii) more than two hundred thousand (200,000) but less than
9 three hundred thousand (300,000); or

10 (B) containing a city that:

11 (i) is described in section 5(3) of this chapter; and

12 (ii) has a public improvement bond bank under this article.

13 (6) A charter school established under ~~IC 20-5-5~~ **IC 20-24** that is
14 sponsored by the executive of a consolidated city.

15 (7) Any authority created under IC 36 that leases land or facilities
16 to any qualified entity listed in subdivisions (1) through (6).

17 SECTION 25. IC 5-2-6-3.5 IS AMENDED TO READ AS
18 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3.5. (a) The sex and
19 violent offender directory established under section 3 of this chapter
20 must include the names of each offender who is or has been required
21 to register under IC 5-2-12.

22 (b) The institute shall do the following:

23 (1) Update the directory at least one (1) time every six (6) months.

24 (2) Publish the directory on the Internet through the computer
25 gateway administered by the intelnet commission under
26 IC 5-21-2 and known as Access Indiana.

27 (3) Make the directory available on a computer disk and, at least
28 one (1) time every six (6) months, send a copy of the computer
29 disk to the following:

30 (A) All school corporations (as defined in ~~IC 20-1-6-1~~):
31 **IC 20-35-1-1**).

32 (B) All nonpublic schools (as defined in ~~IC 20-10.1-1-3~~):
33 **IC 20-18-2-[??]**).

34 (C) All state agencies that license individuals who work with
35 children.

36 (D) The state personnel department to screen individuals who
37 may be hired to work with children.

38 (E) All child care facilities licensed by or registered in the
39 state.

40 (F) Other entities that:

41 (i) provide services to children; and

42 (ii) request the directory.

43 (4) Maintain a hyperlink on the institute's computer web site that
44 permits users to connect to the Indiana sheriffs' sex offender
45 registry web site established under IC 36-2-13-5.5.

46 (5) Make a paper copy of the directory available upon request.



1 (c) A copy of the directory:

- 2 (1) provided to a child care facility under subsection (b)(3)(E);
 3 (2) provided to another entity that provides services to children
 4 under subsection (b)(3)(F); or
 5 (3) that is published on the Internet under subsection (b)(2);

6 must include the home address of an offender whose name appears in
 7 the directory.

8 (d) When the institute publishes on the Internet or distributes a copy
 9 of the directory under subsection (b), the institute shall include a notice
 10 using the following or similar language:

11 "Based on information submitted to the criminal justice institute,
 12 a person whose name appears in this directory has been convicted
 13 of a sex offense or a violent offense or has been adjudicated a
 14 delinquent child for an act that would be a sex offense or violent
 15 offense if committed by an adult."

16 SECTION 26. IC 5-3-1-3 IS AMENDED TO READ AS FOLLOWS
 17 [EFFECTIVE JULY 1, 2005]: Sec. 3. (a) Within sixty (60) days after
 18 the expiration of each calendar year, the fiscal officer of each civil city
 19 and town in Indiana shall publish an annual report of the receipts and
 20 expenditures of the city or town during the preceding calendar year.

21 (b) Not earlier than August 1 or later than August 15 of each year,
 22 the secretary of each school corporation in Indiana shall publish an
 23 annual financial report.

24 (c) In the annual financial report the school corporation shall
 25 include the following:

- 26 (1) Actual receipts and expenditures by major accounts as
 27 compared to the budget advertised under IC 6-1.1-17-3 for the
 28 prior calendar year.
 29 (2) The salary schedule for all certificated employees (as defined
 30 in ~~IC 20-7.5-1-2~~ **IC 20-29-2-4**) as of June 30, with the number of
 31 employees at each salary increment. However, the listing of
 32 salaries of individual teachers is not required.
 33 (3) The extracurricular salary schedule as of June 30.
 34 (4) The range of rates of pay for all noncertificated employees by
 35 specific classification.
 36 (5) The number of employees who are full-time certificated,
 37 part-time certificated, full-time noncertificated, and part-time
 38 noncertificated.
 39 (6) The lowest, highest, and average salary for the administrative
 40 staff and the number of administrators without a listing of the
 41 names of particular administrators.
 42 (7) The number of students enrolled at each grade level and the
 43 total enrollment.
 44 (8) The assessed valuation of the school corporation for the prior
 45 and current calendar year.
 46 (9) The tax rate for each fund for the prior and current calendar



- 1 year.
- 2 (10) In the general fund, capital projects fund, and transportation
3 fund, a report of the total payment made to each vendor for the
4 specific fund in excess of two thousand five hundred dollars
5 (\$2,500) during the prior calendar year. However, a school
6 corporation is not required to include more than two hundred
7 (200) vendors whose total payment to each vendor was in excess
8 of two thousand five hundred dollars (\$2,500). A school
9 corporation shall list the vendors in descending order from the
10 vendor with the highest total payment to the vendor with the
11 lowest total payment above the minimum listed in this
12 subdivision.
- 13 (11) A statement providing that the contracts, vouchers, and bills
14 for all payments made by the school corporation are in its
15 possession and open to public inspection.
- 16 (12) The total indebtedness as of the end of the prior calendar
17 year showing the total amount of notes, bonds, certificates, claims
18 due, total amount due from such corporation for public
19 improvement assessments or intersections of streets, and any and
20 all other evidences of indebtedness outstanding and unpaid at the
21 close of the prior calendar year.
- 22 (d) The school corporation may provide an interpretation or
23 explanation of the information included in the financial report.
- 24 (e) The department of education shall do the following:
- 25 (1) Develop guidelines for the preparation and form of the
26 financial report.
- 27 (2) Provide information to assist school corporations in the
28 preparation of the financial report.
- 29 (f) The annual reports required by this section and IC 36-2-2-19 and
30 the abstract required by IC 36-6-4-13 shall each be published one (1)
31 time only, in accordance with this chapter.
- 32 (g) Each school corporation shall submit to the department of
33 education a copy of the financial report required under this section. The
34 department of education shall make the financial reports available for
35 public inspection.
- 36 SECTION 27. IC 5-9-4-7 IS AMENDED TO READ AS FOLLOWS
37 [EFFECTIVE JULY 1, 2005]: Sec. 7. (a) Except as provided in
38 subsection (b) or (c), an officeholder who elects to take the leave of
39 absence described in section 6 of this chapter shall give written notice
40 that the officeholder is taking a leave of absence for military service to
41 the person or entity designated in IC 5-8-3.5-1 to receive a resignation
42 for the office the officeholder holds.
- 43 (b) An officeholder who is:
- 44 (1) a justice of the supreme court, a judge of the court of appeals,
45 or a judge of the tax court; or
46 (2) a judge of a circuit, city, county, probate, or superior court;



1 shall give the written notice required by subsection (a) to the clerk of
2 the supreme court.

3 (c) An officeholder who holds a school board office shall give the
4 written notice required by subsection (a) to the person or entity
5 designated in ~~IC 20-3~~, **IC 20-25-3, IC 20-25-4, IC 20-25-5,**
6 **IC 20-23-12, IC 20-23-14, IC 20-23-15,** ~~IC 20-4~~, **IC 20-23-4,** or
7 ~~IC 20-5~~ **IC 20-26** to receive a resignation for the office the officeholder
8 holds.

9 (d) The written notice required by subsection (a) must state that the
10 officeholder is taking a leave of absence because the officeholder:

11 (1) has been called for active duty in: ~~the:~~

12 (A) **the** armed forces of the United States; or

13 (B) the national guard; and

14 (2) will be temporarily unable to perform the duties of the
15 officeholder's office.

16 SECTION 28. IC 5-9-4-8 IS AMENDED TO READ AS FOLLOWS
17 [EFFECTIVE JULY 1, 2005]: Sec. 8. (a) Except as provided in
18 subsection (b), during the officeholder's leave of absence the
19 officeholder's office must be filled by a temporary appointment made
20 under:

21 (1) IC 3-13-4;

22 (2) IC 3-13-5;

23 (3) IC 3-13-6;

24 (4) IC 3-13-7;

25 (5) IC 3-13-8;

26 (6) IC 3-13-9;

27 (7) IC 3-13-10;

28 (8) IC 3-13-11;

29 ~~(9) IC 20-3;~~

30 ~~(10) (9) IC 20-4; or IC 20-23-4;~~

31 ~~(11) (10) IC 20-5; IC 20-26;~~

32 **(11) IC 20-23-12;**

33 **(12) IC 20-23-14;**

34 **(13) IC 20-23-15;**

35 **(14) IC 20-25-3;**

36 **(15) IC 20-25-4; or**

37 **(16) IC 20-25-5;**

38 in the same manner as a vacancy created by a resignation is filled.

39 (b) For an officeholder who:

40 (1) is:

41 (A) a justice of the supreme court, a judge of the court of
42 appeals, or a judge of the tax court; or

43 (B) a judge of a circuit, city, county, probate, or superior court;
44 and

45 (2) is taking a leave of absence under this chapter;

46 the supreme court shall appoint a judge pro tempore to fill the



1 officeholder's office in accordance with the court's rules and
2 procedures.

3 (c) The person selected or appointed under subsection (a) or (b)
4 serves until the earlier of:

5 (1) the date the officeholder's leave of absence ends as provided
6 in section 10 of this chapter; or

7 (2) the officeholder's term of office expires.

8 (d) The person selected or appointed to an office under subsection
9 (a) or (b):

10 (1) assumes all the rights and duties of; and

11 (2) is entitled to the compensation established for;
12 the office for the period of the temporary appointment.

13 SECTION 29. IC 5-10-8-2.6 IS AMENDED TO READ AS
14 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2.6. (a) This section
15 applies only to local unit public employers and their employees. This
16 section does not apply to public safety employees, surviving spouses,
17 and dependents covered by section 2.2 of this chapter.

18 (b) A public employer may provide programs of group insurance for
19 its employees and retired employees. The public employer may,
20 however, exclude part-time employees and persons who provide
21 services to the unit under contract from any group insurance coverage
22 that the public employer provides to the employer's full-time
23 employees. A public employer may provide programs of group health
24 insurance under this section through one (1) of the following methods:

25 (1) By purchasing policies of group insurance.

26 (2) By establishing self-insurance programs.

27 (3) By electing to participate in the local unit group of local units
28 that offer the state employee health plan under section 6.6 of this
29 chapter.

30 A public employer may provide programs of group insurance other
31 than group health insurance under this section by purchasing policies
32 of group insurance and by establishing self-insurance programs.
33 However, the establishment of a self-insurance program is subject to
34 the approval of the unit's fiscal body.

35 (c) A public employer may pay a part of the cost of group insurance,
36 but shall pay a part of the cost of group life insurance for local
37 employees. A public employer may pay, as supplemental wages, an
38 amount equal to the deductible portion of group health insurance as
39 long as payment of the supplemental wages will not result in the
40 payment of the total cost of the insurance by the public employer.

41 (d) An insurance contract for local employees under this section
42 may not be canceled by the public employer during the policy term of
43 the contract.

44 (e) After June 30, 1986, a public employer shall provide a group
45 health insurance program under subsection (g) to each retired
46 employee:



- 1 (1) whose retirement date is:
- 2 (A) after May 31, 1986, for a retired employee who was a
- 3 teacher (as defined in ~~IC 20-6.1-1-8~~ **IC 20-18-2-1**) for a
- 4 school corporation; or
- 5 (B) after June 30, 1986, for a retired employee not covered by
- 6 clause (A);
- 7 (2) who will have reached fifty-five (55) years of age on or before
- 8 the employee's retirement date but who will not be eligible on that
- 9 date for Medicare coverage as prescribed by 42 U.S.C. 1395 et
- 10 seq.;
- 11 (3) who will have completed twenty (20) years of creditable
- 12 employment with a public employer on or before the employee's
- 13 retirement date, ten (10) years of which must have been
- 14 completed immediately preceding the retirement date; and
- 15 (4) who will have completed at least fifteen (15) years of
- 16 participation in the retirement plan of which the employee is a
- 17 member on or before the employee's retirement date.
- 18 (f) A group health insurance program required by subsection (e)
- 19 must be equal in coverage to that offered active employees and must
- 20 permit the retired employee to participate if the retired employee pays
- 21 an amount equal to the total of the employer's and the employee's
- 22 premiums for the group health insurance for an active employee and if
- 23 the employee, within ninety (90) days after the employee's retirement
- 24 date files a written request with the employer for insurance coverage.
- 25 However, the employer may elect to pay any part of the retired
- 26 employee's premiums.
- 27 (g) A retired employee's eligibility to continue insurance under
- 28 subsection (e) ends when the employee becomes eligible for Medicare
- 29 coverage as prescribed by 42 U.S.C. 1395 et seq., or when the
- 30 employer terminates the health insurance program. A retired employee
- 31 who is eligible for insurance coverage under subsection (e) may elect
- 32 to have the employee's spouse covered under the health insurance
- 33 program at the time the employee retires. If a retired employee's spouse
- 34 pays the amount the retired employee would have been required to pay
- 35 for coverage selected by the spouse, the spouse's subsequent eligibility
- 36 to continue insurance under this section is not affected by the death of
- 37 the retired employee. The surviving spouse's eligibility ends on the
- 38 earliest of the following:
- 39 (1) When the spouse becomes eligible for Medicare coverage as
- 40 prescribed by 42 U.S.C. 1395 et seq.
- 41 (2) When the employer terminates the health insurance program.
- 42 (3) Two (2) years after the date of the employee's death.
- 43 (4) The date of the spouse's remarriage.
- 44 (h) This subsection does not apply to an employee who is entitled
- 45 to group insurance coverage under ~~IC 20-6.1-6-1(c)~~.
- 46 **IC 20-28-10-2(b)**. An employee who is on leave without pay is entitled



1 to participate for ninety (90) days in any group health insurance
 2 program maintained by the public employer for active employees if the
 3 employee pays an amount equal to the total of the employer's and the
 4 employee's premiums for the insurance. However, the employer may
 5 pay all or part of the employer's premium for the insurance.

6 (i) A public employer may provide group health insurance for
 7 retired employees or their spouses not covered by subsections (e)
 8 through (g) and may provide group health insurance that contains
 9 provisions more favorable to retired employees and their spouses than
 10 required by subsections (e) through (g). A public employer may
 11 provide group health insurance to an employee who is on leave without
 12 pay for a longer period than required by subsection (h), and may
 13 continue to pay all or a part of the employer's premium for the
 14 insurance while the employee is on leave without pay.

15 SECTION 30. IC 5-10-8-8 IS AMENDED TO READ AS
 16 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 8. (a) This section
 17 applies only to the state and employees who are not covered by a plan
 18 established under section 6 of this chapter.

19 (b) After June 30, 1986, the state shall provide a group health
 20 insurance plan to each retired employee:

21 (1) whose retirement date is:

22 (A) after June 29, 1986, for a retired employee who was a
 23 member of the field examiners' retirement fund;

24 (B) after May 31, 1986, for a retired employee who was a
 25 member of the Indiana state teachers' retirement fund; or

26 (C) after June 30, 1986, for a retired employee not covered by
 27 clause (A) or (B);

28 (2) who will have reached fifty-five (55) years of age on or before
 29 the employee's retirement date but who will not be eligible on that
 30 date for Medicare coverage as prescribed by 42 U.S.C. 1395 et
 31 seq.;

32 (3) who will have completed twenty (20) years of creditable
 33 employment with a public employer on or before the employee's
 34 retirement date, ten (10) years of which shall have been
 35 completed immediately preceding the retirement; and

36 (4) who will have completed at least fifteen (15) years of
 37 participation in the retirement plan of which the employee is a
 38 member on or before the employee's retirement date.

39 (c) The state shall provide a group health insurance program to each
 40 retired employee:

41 (1) who is a retired judge;

42 (2) whose retirement date is after June 30, 1990;

43 (3) who is at least sixty-two (62) years of age;

44 (4) who is not eligible for Medicare coverage as prescribed by 42
 45 U.S.C. 1395 et seq.; and

46 (5) who has at least eight (8) years of service credit as a



1 participant in the Indiana judges' retirement fund, with at least
 2 eight (8) years of that service credit completed immediately
 3 preceding the judge's retirement.

4 (d) The state shall provide a group health insurance program to each
 5 retired employee:

6 (1) who is a retired participant under the prosecuting attorneys
 7 retirement fund;

8 (2) whose retirement date is after January 1, 1990;

9 (3) who is at least sixty-two (62) years of age;

10 (4) who is not eligible for Medicare coverage as prescribed by 42
 11 U.S.C. 1395 et seq.; and

12 (5) who has at least ten (10) years of service credit as a participant
 13 in the prosecuting attorneys retirement fund, with at least ten (10)
 14 years of that service credit completed immediately preceding the
 15 participant's retirement.

16 (e) The state shall make available a group health insurance program
 17 to each former member of the general assembly or surviving spouse of
 18 each former member, if the former member:

19 (1) is no longer a member of the general assembly;

20 (2) is not eligible for Medicare coverage as prescribed by 42
 21 U.S.C. 1395 et seq. or, in the case of a surviving spouse, the
 22 surviving spouse is not eligible for Medicare coverage as
 23 prescribed by 42 U.S.C. 1395 et seq.; and

24 (3) has at least ten (10) years of service credit as a member in the
 25 general assembly.

26 A former member or surviving spouse of a former member who obtains
 27 insurance under this section is responsible for paying both the
 28 employer and the employee share of the cost of the coverage.

29 (f) The group health insurance program required under subsections
 30 (b) through (e) must be equal to that offered active employees. The
 31 retired employee may participate in the group health insurance program
 32 if the retired employee pays an amount equal to the employer's and the
 33 employee's premium for the group health insurance for an active
 34 employee and if the retired employee within ninety (90) days after the
 35 employee's retirement date files a written request for insurance
 36 coverage with the employer. However, the employer may elect to pay
 37 any part of the retired employee's premium with respect to insurance
 38 coverage under this chapter.

39 (g) Except as provided in subsection (j), a retired employee's
 40 eligibility to continue insurance under this section ends when the
 41 employee becomes eligible for Medicare coverage as prescribed by 42
 42 U.S.C. 1395 et seq., or when the employer terminates the health
 43 insurance program. A retired employee who is eligible for insurance
 44 coverage under this section may elect to have the employee's spouse
 45 covered under the health insurance program at the time the employee
 46 retires. If a retired employee's spouse pays the amount the retired



1 employee would have been required to pay for coverage selected by the
 2 spouse, the spouse's subsequent eligibility to continue insurance under
 3 this section is not affected by the death of the retired employee. The
 4 surviving spouse's eligibility ends on the earliest of the following:

- 5 (1) When the spouse becomes eligible for Medicare coverage as
 6 prescribed by 42 U.S.C. 1395 et seq.
- 7 (2) When the employer terminates the health insurance program.
- 8 (3) Two (2) years after the date of the employee's death.
- 9 (4) The date of the spouse's remarriage.

10 (h) This subsection does not apply to an employee who is entitled
 11 to group insurance coverage under ~~IC 20-6-1-6-1(c)~~ **IC 20-28-10-2(b)**.
 12 An employee who is on leave without pay is entitled to participate for
 13 ninety (90) days in any health insurance program maintained by the
 14 employer for active employees if the employee pays an amount equal
 15 to the total of the employer's and the employee's premiums for the
 16 insurance.

17 (i) An employer may provide group health insurance for retired
 18 employees or their spouses not covered by this section and may provide
 19 group health insurance that contains provisions more favorable to
 20 retired employees and their spouses than required by this section. A
 21 public employer may provide group health insurance to an employee
 22 who is on leave without pay for a longer period than required by
 23 subsection (h).

24 (j) An employer may elect to permit former employees and their
 25 spouses, including surviving spouses, to continue to participate in a
 26 group health insurance program under this chapter after the former
 27 employee (who is otherwise qualified under this chapter to participate
 28 in a group insurance program) or spouse has become eligible for
 29 Medicare coverage as prescribed by 42 ~~U.S.C.A.~~ **U.S.C.** 1395 et seq.
 30 An employer who makes an election under this section may require a
 31 person who continues coverage under this subsection to participate in
 32 a retiree health benefit plan developed under section 8.3 of this chapter.

33 SECTION 31. IC 5-11-10-1.6 IS AMENDED TO READ AS
 34 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1.6. (a) As used in this
 35 section, "governmental entity" refers to any of the following:

- 36 (1) A municipality (as defined in IC 36-1-2-11).
- 37 (2) A school corporation (as defined in IC 36-1-2-17), including
 38 a school extracurricular account.
- 39 (3) A county.
- 40 (4) A regional water or sewer district organized under IC 13-26
 41 or under IC 13-3-2 (before its repeal).
- 42 (5) A municipally owned utility that is subject to IC 8-1.5-3 or
 43 IC 8-1.5-4.
- 44 (6) A board of an airport authority under IC 8-22-3.
- 45 (7) A board of aviation commissioners under IC 8-22-2.
- 46 (8) A conservancy district.



- 1 (9) A public transportation corporation under IC 36-9-4.
 2 (10) A commuter transportation district under IC 8-5-15.
 3 (11) The state.
 4 (12) A solid waste management district established under
 5 IC 13-21 or IC 13-9.5 (before its repeal).
 6 (13) A levee authority established under IC 14-27-6.
 7 (14) A county building authority under IC 36-9-13.
 8 (15) A soil and water conservation district established under
 9 IC 14-32.

10 (b) As used in this section, "claim" means a bill or an invoice
 11 submitted to a governmental entity for goods or services.

12 (c) The fiscal officer of a governmental entity may not draw a
 13 warrant or check for payment of a claim unless:

- 14 (1) there is a fully itemized invoice or bill for the claim;
 15 (2) the invoice or bill is approved by the officer or person
 16 receiving the goods and services;
 17 (3) the invoice or bill is filed with the governmental entity's fiscal
 18 officer;
 19 (4) the fiscal officer audits and certifies before payment that the
 20 invoice or bill is true and correct; and
 21 (5) payment of the claim is allowed by the governmental entity's
 22 legislative body or the board or official having jurisdiction over
 23 allowance of payment of the claim.

24 This subsection does not prohibit a school corporation, with prior
 25 approval of the board having jurisdiction over allowance of payment of
 26 the claim, from making payment in advance of receipt of services as
 27 allowed by guidelines developed under ~~IC 20-10-1-25-3~~.
 28 **IC 20-20-13-3.**

29 (d) The fiscal officer of a governmental entity shall issue checks or
 30 warrants for claims by the governmental entity that meet all of the
 31 requirements of this section. The fiscal officer does not incur personal
 32 liability for disbursements:

- 33 (1) processed in accordance with this section; and
 34 (2) for which funds are appropriated and available.

35 (e) The certification provided for in subsection (c)(4) must be on a
 36 form prescribed by the state board of accounts.

37 SECTION 32. IC 5-13-7-2 IS AMENDED TO READ AS
 38 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. (a) In a county
 39 having a consolidated city, the county board of finance is composed of:

- 40 (1) the county treasurer;
 41 (2) the county auditor;
 42 (3) the county assessor;
 43 (4) the mayor of the consolidated city;
 44 (5) the controller of the consolidated city; and
 45 (6) the president of the board of school commissioners of the
 46 school city described by ~~IC 20-3-11-1~~. **IC 20-25-3-1.**



1 (b) The board has supervision of the revocation of public
2 depositories for all public funds of the following:

- 3 (1) The county.
- 4 (2) The consolidated city.
- 5 (3) The school city.
- 6 (4) Any other political subdivision in the county whose local
7 board of finance designates the county board of finance for those
8 purposes.

9 SECTION 33. IC 5-14-1.5-6.5 IS AMENDED TO READ AS
10 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6.5. (a) Whenever a
11 governing body, or any person authorized to act for a governing body,
12 meets with an employee organization, or any person authorized to act
13 for an employee organization, for the purpose of collective bargaining
14 or discussion, the following apply:

- 15 (1) Any party may inform the public of the status of collective
16 bargaining or discussion as it progresses by release of factual
17 information and expression of opinion based upon factual
18 information.
- 19 (2) If a mediator is appointed, any report the mediator may file at
20 the conclusion of mediation is a public record open to public
21 inspection.
- 22 (3) If a factfinder is appointed, any hearings the factfinder holds
23 must be open at all times for the purpose of permitting members
24 of the public to observe and record them. Any findings and
25 recommendations the factfinder makes are public records open to
26 public inspection as provided by ~~IC 20-7-5-1-13(c)~~ **IC 20-29-8-13**
27 or any other applicable statute relating to factfinding in
28 connection with public collective bargaining.

29 (b) This section supplements and does not limit any other provision
30 of this chapter.

31 SECTION 34. IC 5-21-1-2 IS AMENDED TO READ AS
32 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. "Authorized user"
33 means:

- 34 (1) any board, commission, department, agency, or authority, by
35 whatever name designated, exercising a portion of the executive,
36 administrative, legislative, or judicial power of the state;
- 37 (2) any county, city, town, township, school corporation, political
38 subdivision, or other entity, by whatever name designated,
39 exercising in a limited geographical area the executive,
40 administrative, legislative, or judicial power of the state or a local
41 governmental power;
- 42 (3) any entity that is subject to:
 - 43 (A) budget review by the department of local government
44 finance or the governing body of a county, city, town,
45 township, or school corporation; or
 - 46 (B) audit by the state board of accounts;



- 1 (4) any building corporation of a political subdivision of the state
 2 that issues bonds for the purpose of constructing public facilities;
 3 (5) any advisory commission, committee, or body created by
 4 statute, ordinance, or executive order and requiring the use of the
 5 internet system;
 6 (6) the Indiana higher education telecommunications system
 7 (IC 20-12-12) and all of the colleges and universities included in
 8 that system;
 9 (7) any Indiana broadcasting station licensed by the Federal
 10 Communications Commission as a noncommercial radio or
 11 television station for the purposes of educational programming;
 12 (8) any community network; or
 13 (9) any nonpublic school (as defined in ~~IC 20-10-1-1-3~~;
 14 **IC 20-18-2-[??]**).

15 SECTION 35. IC 5-22-1-2 IS AMENDED TO READ AS
 16 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. Except as provided
 17 in this article, this article does not apply to the following:

- 18 (1) The commission for higher education.
 19 (2) A state educational institution. However, IC 5-22-15 applies
 20 to a state educational institution.
 21 (3) Military officers and military and armory boards of the state.
 22 (4) An entity established by the general assembly as a body
 23 corporate and politic. However, IC 5-22-15 applies to a body
 24 corporate and politic.
 25 (5) A local hospital authority under IC 5-1-4.
 26 (6) A municipally owned utility under IC 8-1-11.1 or IC 8-1.5.
 27 (7) Hospitals organized or operated under IC 16-22-1 through
 28 IC 16-22-5, IC 16-23-1, or IC 16-24-1.
 29 (8) A library board under ~~IC 20-14-3-14(b)~~; **IC 36-12-3-14(b)**.
 30 (9) A local housing authority under IC 36-7-18.
 31 (10) Tax exempt Indiana nonprofit corporations leasing and
 32 operating a city market owned by a political subdivision.
 33 (11) A person paying for a purchase or lease with funds other than
 34 public funds.
 35 (12) A person that has entered into an agreement with a
 36 governmental body under IC 5-23.
 37 (13) A municipality for the operation of municipal facilities used
 38 for the collection, treatment, purification, and disposal in a
 39 sanitary manner of liquid and solid waste, sewage, night soil, and
 40 industrial waste.

41 SECTION 36. IC 5-22-4-8 IS AMENDED TO READ AS
 42 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 8. (a) As used in this
 43 section, "board" refers to either of the following:

- 44 (1) With respect to the Indiana School for the Blind, the board
 45 established by ~~IC 20-15-3-1~~; **IC 20-21-3-1**.
 46 (2) With respect to the Indiana School for the Deaf, the board



- 1 established by ~~IC 20-16-3-1~~ **IC 20-22-3-1**.
- 2 (b) As used in this section, "school" refers to either of the following:
- 3 (1) The Indiana School for the Blind established by ~~IC 20-15-2-1~~
- 4 **IC 20-21-2-1**.
- 5 (2) The Indiana School for the Deaf established by ~~IC 20-16-2-1~~
- 6 **IC 20-22-2-1**.
- 7 (c) As used in this section, "superintendent" refers to the
- 8 superintendent of the school.
- 9 (d) Except as provided in subsection (f), the school is the purchasing
- 10 agency for the school.
- 11 (e) Except as provided in subsection (f), the superintendent is the
- 12 purchasing agent for the school for purchases with a value of not more
- 13 than twenty-five thousand dollars (\$25,000).
- 14 (f) ~~Not later than October 1, 1999~~; The Indiana department of
- 15 administration and the board shall develop and implement a written
- 16 policy for purchases by the school with a value of more than
- 17 twenty-five thousand dollars (\$25,000).
- 18 SECTION 37. IC 5-22-21-7.5 IS AMENDED TO READ AS
- 19 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7.5. (a) This section
- 20 applies to surplus computer hardware that:
- 21 (1) is not usable by a state agency as determined under section 6
- 22 of this chapter; and
- 23 (2) has market value.
- 24 (b) As used in this section, "educational entity" refers to the
- 25 following:
- 26 (1) A school corporation as defined in IC 36-1-2-17 or nonpublic
- 27 schools as defined in ~~IC 20-10-1-1-3~~ **IC 20-18-2-[??]**.
- 28 (2) The corporation for educational technology described in
- 29 ~~IC 20-10-1-25-1~~ **IC 20-20-15**.
- 30 (c) As used in this section, "market value" means the value of the
- 31 property is more than the estimated costs of sale and transportation of
- 32 the property.
- 33 (d) Surplus computer hardware available for sale must be offered
- 34 first to an educational entity. Notice of the sale must be given to the
- 35 corporation for educational technology and to each school corporation
- 36 through publication in a publication of the department of education or
- 37 other appropriate association or department.
- 38 (e) Sealed bids shall be delivered by educational entities to the
- 39 office of the commissioner before the date of the sale to educational
- 40 entities. Surplus personal property shall be sold to the highest
- 41 responsible bidder as determined by the commissioner. The department
- 42 shall deliver possession of the surplus property to the successful bidder
- 43 after the bidder submits an executed purchase order to the department.
- 44 (f) If the surplus computer hardware:
- 45 (1) is not sold to an educational entity under this section; and
- 46 (2) had an original purchase price of more than two thousand five



1 hundred dollars (\$2,500);
2 the property shall be offered for sale to political subdivisions as
3 described in section 7 of this chapter.

4 SECTION 38. IC 5-22-21-7.6 IS AMENDED TO READ AS
5 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7.6. (a) This section
6 applies to surplus computer hardware that is:

- 7 (1) not usable by a state agency as determined under section 6 of
8 this chapter; and
9 (2) not sold to an educational entity or political subdivision after
10 being offered for sale.

11 (b) The department may donate the surplus computer hardware to
12 an educational entity or a school corporation (as defined by
13 IC 36-1-2-17) or nonpublic schools (as defined in ~~IC 20-10-1-1-3~~):
14 **IC 20-18-2-[??]**).

15 SECTION 39. IC 5-22-22-1 IS AMENDED TO READ AS
16 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. (a) This chapter
17 applies only to personal property owned by a governmental body.

18 (b) This chapter does not apply to dispositions of property described
19 in any of the following:

- 20 (1) IC 5-22-21-1(b).
21 (2) IC 36-1-11-5.5.

22 (c) This chapter does not apply to any of the following:

- 23 (1) The disposal of property under an urban homesteading
24 program under IC 36-7-17.
25 (2) The lease of school buildings under IC 21-5.
26 (3) The sale of land to a lessor in a lease-purchase contract under
27 IC 36-1-10.
28 (4) The disposal of property by a redevelopment commission
29 established under IC 36-7.
30 (5) The leasing of property by a board of aviation commissioners
31 established under IC 8-22-2 or an airport authority established
32 under IC 8-22-3.
33 (6) The disposal of a municipally owned utility under IC 8-1.5.
34 (7) The sale or lease of property by a unit (as defined in
35 IC 36-1-2-23) to an Indiana nonprofit corporation organized for
36 educational, literary, scientific, religious, or charitable purposes
37 that is exempt from federal income taxation under Section 501 of
38 the Internal Revenue Code or the sale or reletting of that property
39 by the nonprofit corporation.
40 (8) The disposal of property by a hospital organized or operating
41 under IC 16-22-1 through IC 16-22-5, IC 16-23-1, or IC 16-24-1.
42 (9) The sale or lease of property acquired under IC 36-7-13 for
43 industrial development.
44 (10) The sale, lease, or disposal of property by a local hospital
45 authority under IC 5-1-4.
46 (11) The sale or other disposition of property by a county or



- 1 municipality to finance housing under IC 5-20-2.
 2 (12) The disposition of property by a soil and water conservation
 3 district under IC 14-32.
 4 (13) The sale of surplus or unneeded property by the board of
 5 trustees of the health and hospital corporation under IC 16-22-8.
 6 (14) The disposal of personal property by a library board under
 7 ~~IC 20-14-3-4(c)~~; **IC 36-12-3-4(c)**.
 8 (15) The sale or disposal of property by the historic preservation
 9 commission under IC 36-7-11.1.
 10 (16) The disposal of an interest in property by a housing authority
 11 under IC 36-7-18.
 12 (17) The disposal of property under IC 36-9-37-26.
 13 (18) The disposal of property used for park purposes under
 14 IC 36-10-7-8.
 15 (19) The disposal of textbooks that will no longer be used by
 16 school corporations under ~~IC 20-10-1-10~~; **IC 20-26-12**.
 17 (20) The disposal of residential structures or improvements by a
 18 municipal corporation without consideration to:
 19 (A) a governmental body; or
 20 (B) a nonprofit corporation that is organized to expand the
 21 supply or sustain the existing supply of good quality,
 22 affordable housing for residents of Indiana having low or
 23 moderate incomes.
 24 (21) The disposal of historic property without consideration to a
 25 nonprofit corporation whose charter or articles of incorporation
 26 allows the corporation to take action for the preservation of
 27 historic property. As used in this subdivision, "historic property"
 28 means property that is:
 29 (A) listed on the National Register of Historic Places; or
 30 (B) eligible for listing on the National Register of Historic
 31 Places, as determined by the division of historic preservation
 32 and archeology of the department of natural resources.
 33 (22) The disposal of real property without consideration to:
 34 (A) a governmental body; or
 35 (B) a nonprofit corporation that exists for the primary purpose
 36 of enhancing the environment;
 37 when the property is to be used for compliance with a permit or
 38 an order issued by a federal or state regulatory agency to mitigate
 39 an adverse environmental impact.
 40 (23) The disposal of property to a person under an agreement
 41 between the person and a governmental body under IC 5-23.
 42 SECTION 40. IC 6-1.1-18-12 IS AMENDED TO READ AS
 43 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 12. (a) For purposes of
 44 this section, "maximum rate" refers to the maximum:
 45 (1) property tax rate or rates; or
 46 (2) special benefits tax rate or rates;



- 1 referred to in the statutes listed in subsection (d).
 2 (b) The maximum rate for taxes first due and payable after 2003 is
 3 the maximum rate that would have been determined under subsection
 4 (e) for taxes first due and payable in 2003 if subsection (e) had applied
 5 for taxes first due and payable in 2003.
 6 (c) The maximum rate must be adjusted:
 7 (1) each time an annual adjustment of the assessed value of real
 8 property takes effect under IC 6-1.1-4-4.5; and
 9 (2) each time a general reassessment of real property takes effect
 10 under IC 6-1.1-4-4.
 11 (d) The statutes to which subsection (a) refers are:
 12 (1) IC 8-10-5-17;
 13 (2) IC 8-22-3-11;
 14 (3) IC 8-22-3-25;
 15 (4) IC 12-29-1-1;
 16 (5) IC 12-29-1-2;
 17 (6) IC 12-29-1-3;
 18 (7) IC 12-29-3-6;
 19 (8) IC 13-21-3-12;
 20 (9) IC 13-21-3-15;
 21 (10) IC 14-27-6-30;
 22 (11) IC 14-33-7-3;
 23 (12) IC 14-33-21-5;
 24 (13) IC 15-1-6-2;
 25 (14) IC 15-1-8-1;
 26 (15) IC 15-1-8-2;
 27 (16) IC 16-20-2-18;
 28 (17) IC 16-20-4-27;
 29 (18) IC 16-20-7-2;
 30 (19) IC 16-23-1-29;
 31 (20) IC 16-23-3-6;
 32 (21) IC 16-23-4-2;
 33 (22) IC 16-23-5-6;
 34 (23) IC 16-23-7-2;
 35 (24) IC 16-23-8-2;
 36 (25) IC 16-23-9-2;
 37 (26) IC 16-41-15-5;
 38 (27) IC 16-41-33-4;
 39 (28) ~~IC 20-5-17.5-2~~; **IC 36-10-13-1**;
 40 (29) ~~IC 20-5-17.5-3~~; **IC 36-10-13-2**;
 41 (30) ~~IC 20-5-37-4~~; **IC 20-26-8-4**;
 42 (31) ~~IC 20-14-7-5.1~~; **IC 36-12-7-5.1**;
 43 (32) ~~IC 20-14-7-6~~; **IC 36-12-7-6**;
 44 (33) ~~IC 20-14-13-12~~; **IC 36-12-12-12**;
 45 (34) IC 21-1-11-3;
 46 (35) IC 21-2-17-2;



- 1 (36) IC 23-13-17-1;
 2 (37) IC 23-14-66-2;
 3 (38) IC 23-14-67-3;
 4 (39) IC 36-7-13-4;
 5 (40) IC 36-7-14-28;
 6 (41) IC 36-7-15.1-16;
 7 (42) IC 36-8-19-8.5;
 8 (43) IC 36-9-6.1-2;
 9 (44) IC 36-9-17.5-4;
 10 (45) IC 36-9-27-73;
 11 (46) IC 36-9-29-31;
 12 (47) IC 36-9-29.1-15;
 13 (48) IC 36-10-6-2;
 14 (49) IC 36-10-7-7;
 15 (50) IC 36-10-7-8;
 16 (51) IC 36-10-7.5-19; and
 17 (52) any statute enacted after December 31, 2003, that:
 18 (A) establishes a maximum rate for any part of the:
 19 (i) property taxes; or
 20 (ii) special benefits taxes;
 21 imposed by a political subdivision; and
 22 (B) does not exempt the maximum rate from the adjustment
 23 under this section.
 24 (e) The new maximum rate under a statute listed in subsection (d)
 25 is the tax rate determined under STEP SEVEN of the following STEPS:
 26 STEP ONE: Determine the maximum rate for the political
 27 subdivision levying a property tax or special benefits tax under
 28 the statute for the year preceding the year in which the annual
 29 adjustment or general reassessment takes effect.
 30 STEP TWO: Determine the actual percentage increase (rounded
 31 to the nearest one-hundredth percent (0.01%)) in the assessed
 32 value (before the adjustment, if any, under IC 6-1.1-4-4.5) of the
 33 taxable property from the year preceding the year the annual
 34 adjustment or general reassessment takes effect to the year that
 35 the annual adjustment or general reassessment takes effect.
 36 STEP THREE: Determine the three (3) calendar years that
 37 immediately precede the ensuing calendar year and in which a
 38 statewide general reassessment of real property does not first take
 39 effect.
 40 STEP FOUR: Compute separately, for each of the calendar years
 41 determined in STEP THREE, the actual percentage increase
 42 (rounded to the nearest one-hundredth percent (0.01%)) in the
 43 assessed value (before the adjustment, if any, under
 44 IC 6-1.1-4-4.5) of the taxable property from the preceding year.
 45 STEP FIVE: Divide the sum of the three (3) quotients computed
 46 in STEP FOUR by three (3).



1 STEP SIX: Determine the greater of the following:

2 (A) Zero (0).

3 (B) The result of the STEP TWO percentage minus the STEP
4 FIVE percentage.

5 STEP SEVEN: Determine the quotient of the STEP ONE tax rate
6 divided by the sum of one (1) plus the STEP SIX percentage
7 increase.

8 (f) The department of local government finance shall compute the
9 maximum rate allowed under subsection (e) and provide the rate to
10 each political subdivision with authority to levy a tax under a statute
11 listed in subsection (d).

12 SECTION 41. IC 6-1.1-18.5-10.3 IS AMENDED TO READ AS
13 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 10.3. (a) The ad
14 valorem property tax levy limits imposed by section 3 of this chapter
15 do not apply to ad valorem property taxes imposed by a library board
16 for a capital projects fund under ~~IC 20-14-13~~ **IC 36-12-3**. However,
17 the maximum amount that is exempt from the levy limits under this
18 section may not exceed the property taxes that would be raised in the
19 ensuing calendar year with a property tax rate of one and thirty-three
20 hundredths cents (\$0.0133) per one hundred dollars (\$100) of assessed
21 valuation.

22 (b) For purposes of computing the ad valorem property tax levy
23 limit imposed on a library board under section 3 of this chapter, the
24 library board's ad valorem property tax levy for a particular calendar
25 year does not include that part of the levy imposed under ~~IC 20-14-13~~
26 **IC 36-12-3** that is exempt from the ad valorem property tax levy limits
27 under subsection (a).

28 SECTION 42. IC 6-1.1-19-6 IS AMENDED TO READ AS
29 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6. (a) A school
30 corporation that did not impose a general fund tax levy for the
31 preceding calendar year may not collect a general fund tax levy for the
32 ensuing calendar year until that general fund tax levy (and the related
33 budget, appropriations, and general fund tax rate), after being adopted
34 and advertised and considered by the proper county board of tax
35 adjustment as provided by law, is reviewed by the tax control board,
36 which shall make its recommendations in respect thereof to the
37 department of local government finance, and is approved by the
38 department.

39 (b) For all purposes relevant to this chapter:

40 (1) the adjusted base levy for a school corporation that must have
41 its levy approved under subsection (a) is the total dollar amount
42 of the ad valorem tax levy for its general fund that, after being
43 approved, is made by the school corporation for taxes collectible
44 in the first full calendar year after the approval; and

45 (2) the ADA ratio for a school corporation that must have its levy
46 approved under subsection (a) is the quotient resulting from a



1 division of the school corporation's current ADA by the ADA first
 2 determined after the approval for the school corporation in
 3 accordance with the rules and regulations established by the state
 4 board of education.

5 (c) For purposes of this chapter:

6 (1) where territory is transferred from one (1) school corporation
 7 to another after April 4, 1973, under IC 20-4-4 (**before its**
 8 **repeal**), **or** IC 20-3-14 (**before its repeal**), **IC 20-23-5, or**
 9 **IC 20-25-5**, ADA, current ADA, and ADA ratio shall be
 10 interpreted, insofar as possible, as though the pupils in the
 11 territory had been transferred in the school year ending in 1973;
 12 and

13 (2) where territory is transferred for one (1) school corporation to
 14 another after June 1, 1978, under IC 20-4-4 (**before its repeal**),
 15 **or** IC 20-3-14 (**before its repeal**), **IC 20-23-5, or IC 20-25-5**,
 16 adjusted base levy, normal tax levy, and the other terms used in
 17 this chapter shall be interpreted, insofar as possible, as though the
 18 assessed valuation of the territory had been transferred prior to
 19 March 1, 1977, in accordance with rules and a final determination
 20 by the department of local government finance.

21 SECTION 43. IC 6-1.1-19-8 IS AMENDED TO READ AS
 22 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 8. (a) A school
 23 corporation must file a petition requesting approval from the
 24 department of local government finance to incur bond indebtedness,
 25 enter into a lease rental agreement, or repay from the debt service fund
 26 loans made for the purchase of school buses under IC 20-9.1-6-5 not
 27 later than twenty-four (24) months after the first date of publication of
 28 notice of a preliminary determination under IC 6-1.1-20-3.1(2), unless
 29 the school corporation demonstrates that a longer period is reasonable
 30 in light of the school corporation's facts and circumstances. A school
 31 corporation must obtain approval from the department of local
 32 government finance before the school corporation may:

- 33 (1) incur the indebtedness;
 34 (2) enter into the lease agreement; or
 35 (3) repay the school bus purchase loan.

36 This restriction does not apply to ad valorem property taxes which a
 37 school corporation levies to pay or fund bond or lease rental
 38 indebtedness created or incurred before July 1, 1974.

39 (b) The department of local government finance may either approve,
 40 disapprove, or modify then approve a school corporation's proposed
 41 lease rental agreement, bond issue or school bus purchase loan. Before
 42 it approves or disapproves a proposed lease rental agreement, bond
 43 issue or school bus purchase loan, the department of local government
 44 finance may seek the recommendation of the tax control board.

45 (c) The department of local government finance shall render a
 46 decision not more than three (3) months after the date it receives a



1 request for approval under subsection (a). However, the department of
 2 local government finance may extend this three (3) month period by an
 3 additional three (3) months if, at least ten (10) days before the end of
 4 the original three (3) month period, the department sends notice of the
 5 extension to the executive officer of the school corporation. A school
 6 corporation may petition for judicial review of the final determination
 7 of the department of local government finance under this section. The
 8 petition must be filed in the tax court not more than forty-five (45) days
 9 after the department enters its order under this section.

10 (d) After December 31, 1995, the department of local government
 11 finance may not approve a school corporation's proposed lease rental
 12 agreement or bond issue to finance the construction of additional
 13 classrooms unless the school corporation first:

- 14 (1) establishes that additional classroom space is necessary; and
- 15 (2) conducts a feasibility study, holds public hearings, and hears
 16 public testimony on using a twelve (12) month school term
 17 (instead of the nine (9) month school term (as defined in
 18 ~~IC 20-10-1-2-2~~) **IC 20-30-2-7**) rather than expanding classroom
 19 space.

20 (e) This section does not apply to school bus purchase loans made
 21 by a school corporation which will be repaid solely from the general
 22 fund of the school corporation.

23 (f) A taxpayer may petition for judicial review of the final
 24 determination of the department of local government finance under this
 25 section. The petition must be filed in the tax court not more than thirty
 26 (30) days after the department enters its order under this section.

27 SECTION 44. IC 6-1.1-19-12 IS AMENDED TO READ AS
 28 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 12. (a) Not later than
 29 the date on which the department of local government finance certifies
 30 a final action under IC 6-1.1-17-16, the department of local government
 31 finance shall provide to each county auditor the amount determined
 32 under ~~IC 20-5-5-7-3(c)(6)~~ **IC 20-24-7-2(c)(6)** for each charter school
 33 attended by a student who has legal settlement in both the county and
 34 a school corporation located in the county.

35 (b) This subsection applies beginning with the first distribution of
 36 property taxes to a school corporation after December 31, 2003. At the
 37 same time a county auditor distributes property taxes to a school
 38 corporation, the county auditor shall distribute to a charter school the
 39 amount described in subsection (a) for the charter school.

40 (c) A distribution of property taxes to a school corporation does not
 41 include an amount distributed under subsection (b).

42 SECTION 45. IC 6-1.1-21-2 IS AMENDED TO READ AS
 43 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. As used in this
 44 chapter:

45 (a) "Taxpayer" means a person who is liable for taxes on property
 46 assessed under this article.



1 (b) "Taxes" means property taxes payable in respect to property
 2 assessed under this article. The term does not include special
 3 assessments, penalties, or interest, but does include any special charges
 4 which a county treasurer combines with all other taxes in the
 5 preparation and delivery of the tax statements required under
 6 IC 6-1.1-22-8(a).

7 (c) "Department" means the department of state revenue.

8 (d) "Auditor's abstract" means the annual report prepared by each
 9 county auditor which under IC 6-1.1-22-5, is to be filed on or before
 10 March 1 of each year with the auditor of state.

11 (e) "Mobile home assessments" means the assessments of mobile
 12 homes made under IC 6-1.1-7.

13 (f) "Postabstract adjustments" means adjustments in taxes made
 14 subsequent to the filing of an auditor's abstract which change
 15 assessments therein or add assessments of omitted property affecting
 16 taxes for such assessment year.

17 (g) "Total county tax levy" means the sum of:

18 (1) the remainder of:

19 (A) the aggregate levy of all taxes for all taxing units in a
 20 county which are to be paid in the county for a stated
 21 assessment year as reflected by the auditor's abstract for the
 22 assessment year, adjusted, however, for any postabstract
 23 adjustments which change the amount of the aggregate levy;
 24 minus

25 (B) the sum of any increases in property tax levies of taxing
 26 units of the county that result from appeals described in:

27 (i) IC 6-1.1-18.5-13(4) and IC 6-1.1-18.5-13(5) filed after
 28 December 31, 1982; plus

29 (ii) the sum of any increases in property tax levies of taxing
 30 units of the county that result from any other appeals
 31 described in IC 6-1.1-18.5-13 filed after December 31,
 32 1983; plus

33 (iii) IC 6-1.1-18.6-3 (children in need of services and
 34 delinquent children who are wards of the county); minus

35 (C) the total amount of property taxes imposed for the stated
 36 assessment year by the taxing units of the county under the
 37 authority of IC 12-1-11.5 (repealed), IC 12-2-4.5 (repealed),
 38 IC 12-19-5, or IC 12-20-24; minus

39 (D) the total amount of property taxes to be paid during the
 40 stated assessment year that will be used to pay for interest or
 41 principal due on debt that:

42 (i) is entered into after December 31, 1983;

43 (ii) is not debt that is issued under IC 5-1-5 to refund debt
 44 incurred before January 1, 1984; and

45 (iii) does not constitute debt entered into for the purpose of
 46 building, repairing, or altering school buildings for which



- 1 the requirements of IC 20-5-52 were satisfied prior to
 2 January 1, 1984; minus
 3 (E) the amount of property taxes imposed in the county for the
 4 stated assessment year under the authority of IC 21-2-6
 5 (repealed) or any citation listed in IC 6-1.1-18.5-9.8 for a
 6 cumulative building fund whose property tax rate was initially
 7 established or reestablished for a stated assessment year that
 8 succeeds the 1983 stated assessment year; minus
 9 (F) the remainder of:
 10 (i) the total property taxes imposed in the county for the
 11 stated assessment year under authority of IC 21-2-6
 12 (repealed) or any citation listed in IC 6-1.1-18.5-9.8 for a
 13 cumulative building fund whose property tax rate was not
 14 initially established or reestablished for a stated assessment
 15 year that succeeds the 1983 stated assessment year; minus
 16 (ii) the total property taxes imposed in the county for the
 17 1984 stated assessment year under the authority of IC 21-2-6
 18 (repealed) or any citation listed in IC 6-1.1-18.5-9.8 for a
 19 cumulative building fund whose property tax rate was not
 20 initially established or reestablished for a stated assessment
 21 year that succeeds the 1983 stated assessment year; minus
 22 (G) the amount of property taxes imposed in the county for the
 23 stated assessment year under:
 24 (i) IC 21-2-15 for a capital projects fund; plus
 25 (ii) IC 6-1.1-19-10 for a racial balance fund; plus
 26 (iii) ~~IC 20-14-13~~ **IC 36-12-12** for a library capital projects
 27 fund; plus
 28 (iv) IC 20-5-17.5-3 for an art association fund; plus
 29 (v) IC 21-2-17 for a special education preschool fund; plus
 30 (vi) IC 21-2-11.6 for a referendum tax levy fund; plus
 31 (vii) an appeal filed under IC 6-1.1-19-5.1 for an increase in
 32 a school corporation's maximum permissible general fund
 33 levy for certain transfer tuition costs; plus
 34 (viii) an appeal filed under IC 6-1.1-19-5.4 for an increase
 35 in a school corporation's maximum permissible general fund
 36 levy for transportation operating costs; minus
 37 (H) the amount of property taxes imposed by a school
 38 corporation that is attributable to the passage, after 1983, of a
 39 referendum for an excessive tax levy under IC 6-1.1-19,
 40 including any increases in these property taxes that are
 41 attributable to the adjustment set forth in IC 6-1.1-19-1.5 or
 42 any other law; minus
 43 (I) for each township in the county, the lesser of:
 44 (i) the sum of the amount determined in IC 6-1.1-18.5-19(a)
 45 STEP THREE or IC 6-1.1-18.5-19(b) STEP THREE,
 46 whichever is applicable, plus the part, if any, of the



- 1 township's ad valorem property tax levy for calendar year
 2 1989 that represents increases in that levy that resulted from
 3 an appeal described in IC 6-1.1-18.5-13(4) filed after
 4 December 31, 1982; or
 5 (ii) the amount of property taxes imposed in the township for
 6 the stated assessment year under the authority of
 7 IC 36-8-13-4; minus
 8 (J) for each participating unit in a fire protection territory
 9 established under IC 36-8-19-1, the amount of property taxes
 10 levied by each participating unit under IC 36-8-19-8 and
 11 IC 36-8-19-8.5 less the maximum levy limit for each of the
 12 participating units that would have otherwise been available
 13 for fire protection services under IC 6-1.1-18.5-3 and
 14 IC 6-1.1-18.5-19 for that same year; minus
 15 (K) for each county, the sum of:
 16 (i) the amount of property taxes imposed in the county for
 17 the repayment of loans under IC 12-19-5-6 (repealed) that is
 18 included in the amount determined under IC 12-19-7-4(a)
 19 STEP SEVEN for property taxes payable in 1995, or for
 20 property taxes payable in each year after 1995, the amount
 21 determined under IC 12-19-7-4(b); and
 22 (ii) the amount of property taxes imposed in the county
 23 attributable to appeals granted under IC 6-1.1-18.6-3 that is
 24 included in the amount determined under IC 12-19-7-4(a)
 25 STEP SEVEN for property taxes payable in 1995, or the
 26 amount determined under IC 12-19-7-4(b) for property taxes
 27 payable in each year after 1995; plus
 28 (2) all taxes to be paid in the county in respect to mobile home
 29 assessments currently assessed for the year in which the taxes
 30 stated in the abstract are to be paid; plus
 31 (3) the amounts, if any, of county adjusted gross income taxes that
 32 were applied by the taxing units in the county as property tax
 33 replacement credits to reduce the individual levies of the taxing
 34 units for the assessment year, as provided in IC 6-3.5-1.1; plus
 35 (4) the amounts, if any, by which the maximum permissible ad
 36 valorem property tax levies of the taxing units of the county were
 37 reduced under IC 6-1.1-18.5-3(b) STEP EIGHT for the stated
 38 assessment year; plus
 39 (5) the difference between:
 40 (A) the amount determined in IC 6-1.1-18.5-3(e) STEP FOUR;
 41 minus
 42 (B) the amount the civil taxing units' levies were increased
 43 because of the reduction in the civil taxing units' base year
 44 certified shares under IC 6-1.1-18.5-3(e).
 45 (h) "December settlement sheet" means the certificate of settlement
 46 filed by the county auditor with the auditor of state, as required under



1 IC 6-1.1-27-3.

2 (i) "Tax duplicate" means the roll of property taxes which each
3 county auditor is required to prepare on or before March 1 of each year
4 under IC 6-1.1-22-3.

5 (j) "Eligible property tax replacement amount" is equal to the sum
6 of the following:

7 (1) Sixty percent (60%) of the total county tax levy imposed by
8 each school corporation in a county for its general fund for a
9 stated assessment year.

10 (2) Twenty percent (20%) of the total county tax levy (less sixty
11 percent (60%) of the levy for the general fund of a school
12 corporation that is part of the total county tax levy) imposed in a
13 county on real property for a stated assessment year.

14 (3) Twenty percent (20%) of the total county tax levy (less sixty
15 percent (60%) of the levy for the general fund of a school
16 corporation that is part of the total county tax levy) imposed in a
17 county on tangible personal property, excluding business personal
18 property, for an assessment year.

19 (k) "Business personal property" means tangible personal property
20 (other than real property) that is being:

21 (1) held for sale in the ordinary course of a trade or business; or
22 (2) held, used, or consumed in connection with the production of
23 income.

24 (l) "Taxpayer's property tax replacement credit amount" means the
25 sum of the following:

26 (1) Sixty percent (60%) of a taxpayer's tax liability in a calendar
27 year for taxes imposed by a school corporation for its general fund
28 for a stated assessment year.

29 (2) Twenty percent (20%) of a taxpayer's tax liability for a stated
30 assessment year for a total county tax levy (less sixty percent
31 (60%) of the levy for the general fund of a school corporation that
32 is part of the total county tax levy) on real property.

33 (3) Twenty percent (20%) of a taxpayer's tax liability for a stated
34 assessment year for a total county tax levy (less sixty percent
35 (60%) of the levy for the general fund of a school corporation that
36 is part of the total county tax levy) on tangible personal property
37 other than business personal property.

38 (m) "Tax liability" means tax liability as described in section 5 of
39 this chapter.

40 (n) "General school operating levy" means the ad valorem property
41 tax levy of a school corporation in a county for the school corporation's
42 general fund.

43 SECTION 46. IC 6-1.1-21.8-4 IS AMENDED TO READ AS
44 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. (a) The board shall
45 determine the terms of a loan made under this chapter. However, the
46 interest charged on the loan may not exceed the percent of increase in



1 the United States Department of Labor Consumer Price Index for
 2 Urban Wage Earners and Clerical Workers during the most recent
 3 twelve (12) month period for which data is available as of the date that
 4 the unit applies for a loan under this chapter. In the case of a qualified
 5 taxing unit that is not a school corporation or a public library (as
 6 defined in ~~IC 20-14-1-2~~; **IC 36-12-1-2**), a loan must be repaid not later
 7 than ten (10) years after the date on which the loan was made. In the
 8 case of a qualified taxing unit that is a school corporation or a public
 9 library (as defined in ~~IC 20-14-1-2~~; **IC 36-12-1-2**), a loan must be
 10 repaid not later than eleven (11) years after the date on which the loan
 11 was made. A school corporation or a public library (as defined in
 12 ~~IC 20-14-1-2~~ **IC 36-12-1-2**) is not required to begin making payments
 13 to repay a loan until after June 30, 2004. The total amount of all the
 14 loans made under this chapter may not exceed twenty-eight million
 15 dollars (\$28,000,000). The board may disburse the proceeds of a loan
 16 in installments. However, not more than one-third (1/3) of the total
 17 amount to be loaned under this chapter may be disbursed at any
 18 particular time without the review of the budget committee and the
 19 approval of the budget agency.

20 (b) A loan made under this chapter shall be repaid only from:

21 (1) property tax revenues of the qualified taxing unit that are
 22 subject to the levy limitations imposed by IC 6-1.1-18.5 or
 23 IC 6-1.1-19; or

24 (2) any other source of revenues (other than property taxes) that
 25 is legally available to the qualified taxing unit.

26 The payment of any installment of principal constitutes a first charge
 27 against the property tax revenues described in subdivision (1) that are
 28 collected by the qualified taxing unit during the calendar year the
 29 installment is due and payable.

30 (c) The obligation to repay a loan made under this chapter is not a
 31 basis for the qualified taxing unit to obtain an excessive tax levy under
 32 IC 6-1.1-18.5 or IC 6-1.1-19.

33 (d) Whenever the board receives a payment on a loan made under
 34 this chapter, the board shall deposit the amount paid in the
 35 counter-cyclical revenue and economic stabilization fund.

36 (e) This section does not prohibit a qualified taxing unit from
 37 repaying a loan made under this chapter before the date specified in
 38 subsection (a) if a taxpayer described in section 3 of this chapter
 39 resumes paying property taxes to the qualified taxing unit.

40 (f) Interest accrues on a loan made under this chapter until the date
 41 the board receives notice from the county auditor that the county has
 42 adopted at least one (1) of the following:

43 (1) The county adjusted gross income tax under IC 6-3.5-1.1.

44 (2) The county option income tax under IC 6-3.5-6.

45 (3) The county economic development income tax under
 46 IC 6-3.5-7.



1 Notwithstanding subsection (a), interest may not be charged on a loan
 2 made under this chapter if a tax described in this subsection is adopted
 3 before a qualified taxing unit applies for the loan.

4 SECTION 47. IC 6-3.1-2-1 IS AMENDED TO READ AS
 5 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. As used in this
 6 chapter, the following terms have the following meanings:

7 (1) "Eligible teacher" means a teacher:

8 (A) certified in a shortage area by the professional standards
 9 board established by ~~IC 20-1-1-4~~; **IC 20-28-2**; and

10 (B) employed under contract during the regular school term by
 11 a school corporation in a shortage area.

12 (2) "Qualified position" means a position that:

13 (A) is relevant to the teacher's academic training in a shortage
 14 area; and

15 (B) has been approved by the Indiana state board of education
 16 under section 6 of this chapter.

17 (3) "Regular school term" means the period, other than the school
 18 summer recess, during which a teacher is required to perform
 19 duties assigned to him under a teaching contract.

20 (4) "School corporation" means any corporation authorized by law
 21 to establish public schools and levy taxes for their maintenance.

22 (5) "Shortage area" means the subject areas of mathematics and
 23 science and any other subject area designated as a shortage area
 24 by the Indiana state board of education.

25 (6) "State income tax liability" means a taxpayer's total income
 26 tax liability incurred under IC 6-3 and IC 6-5.5, as computed after
 27 application of credits that under IC 6-3.1-1-2 are to be applied
 28 before the credit provided by this chapter.

29 SECTION 48. IC 6-3.1-15-1 IS AMENDED TO READ AS
 30 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. As used in this
 31 chapter, "buddy system project" has the meaning set forth in
 32 ~~IC 20-10-1-25.1-4(1)(A)~~; **IC 20-20-15-4**.

33 SECTION 49. IC 6-3.1-15-3 IS AMENDED TO READ AS
 34 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. As used in this
 35 chapter, "service center" means an educational service center
 36 established under ~~IC 20-1-11-3~~; **IC 20-20-1**.

37 SECTION 50. IC 6-3.1-15-10 IS AMENDED TO READ AS
 38 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 10. The state board
 39 shall, in consultation with the corporation for educational technology
 40 if the corporation is established under ~~IC 20-10-1-25.1-3~~;
 41 **IC 20-20-15-3**, establish minimum standards for qualified computer
 42 equipment. Upon receipt of computer equipment, a service center shall
 43 promptly inspect the equipment. If the computer equipment meets the
 44 minimum standards established by the state board, the service center
 45 shall accept the computer equipment as qualified computer equipment
 46 and shall, subject to section 11(b) of this chapter, promptly send a



1 certification to the computer equipment owner for the tax credit
2 available under this chapter.

3 SECTION 51. IC 6-3.1-15-15 IS AMENDED TO READ AS
4 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 15. Before July 1 of
5 each year, the state department of education shall notify each school
6 that complies with the minimum instructional days required by
7 ~~IC 20-10.1-2-1~~ **IC 20-30-2** for the preceding school year that the
8 program created by this chapter exists, including how the school may
9 participate in the program.

10 SECTION 52. IC 9-18-2-7 IS AMENDED TO READ AS
11 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7. (a) A person who
12 owns a vehicle subject to registration shall register each vehicle owned
13 by the person as follows:

14 (1) A vehicle subject to section 8 of this chapter shall be
15 registered under section 8.

16 (2) A vehicle not subject to section 8 of this chapter or to the
17 International Registration Plan shall be registered before:

18 (A) March 1 of each year; or

19 (B) an earlier date subsequent to January 1 of each year as set
20 by the bureau.

21 (3) School buses owned by a school corporation are exempt from
22 annual registration but are subject to registration under
23 ~~IC 20-9.1-4~~ **IC 20-27-3**.

24 (4) Subject to subsection (f), a vehicle subject to the International
25 Registration Plan shall be registered before April 1 of each year.

26 (b) Registrations and re-registrations under this section are for the
27 calendar year. Registration and re-registration for school buses owned
28 by a school corporation may be for more than a calendar year.

29 (c) License plates for a vehicle subject to this section may be
30 displayed during:

31 (1) the calendar year for which the vehicle is registered; and

32 (2) the period of time:

33 (A) subsequent to the calendar year; and

34 (B) before the date that the vehicle must be re-registered.

35 (d) A person who owns or operates a vehicle may not operate or
36 permit the operation of a vehicle that:

37 (1) is required to be registered under this chapter; and

38 (2) has expired license plates.

39 (e) If a vehicle that is required to be registered under this chapter
40 has:

41 (1) been operated on the highways; and

42 (2) not been properly registered under this chapter;

43 the bureau shall, before the vehicle is re-registered, collect the
44 registration fee that the owner of the vehicle would have paid if the
45 vehicle had been properly registered.

46 (f) The department of state revenue may adopt rules under IC 4-22-2



1 to issue staggered registration to motor vehicles subject to the
2 International Registration Plan.

3 SECTION 53. IC 9-18-31-6 IS AMENDED TO READ AS
4 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6. The fees collected
5 under this chapter shall be distributed as follows:

6 (1) Twenty-five percent (25%) to the state superintendent of
7 public instruction to administer the school intervention and career
8 counseling development program and fund under ~~IC 20-10-1-28~~
9 **IC 20-20-17**.

10 (2) Seventy-five percent (75%) as provided under section 7 of this
11 chapter.

12 SECTION 54. IC 9-19-13-1 IS AMENDED TO READ AS
13 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. The state school bus
14 committee established under ~~IC 20-9-1-4~~ by **IC 20-27-3-1** shall adopt
15 and enforce rules under IC 4-22-2 not inconsistent with this chapter to
16 govern the design and operation of all school buses used for the
17 transportation of school children when owned and operated by a school
18 corporation or privately owned and operated under contract with an
19 Indiana school corporation. The rules must by reference be made a part
20 of such a contract with a school corporation. Each school corporation,
21 officer and employee of the school corporation, and person employed
22 under contract by a school district is subject to those rules.

23 SECTION 55. IC 9-19-13-4 IS AMENDED TO READ AS
24 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. A bus used to
25 transport school children must be equipped as follows:

26 (1) At least two (2) signal lamps mounted as high and as widely
27 spaced laterally as practicable, capable of displaying the front two
28 (2) alternately flashing red lights located at the same level, and
29 having sufficient intensity to be visible at five hundred (500) feet
30 in normal sunlight.

31 (2) As required by the state school bus committee under
32 ~~IC 20-9-1-4-4~~ **IC 20-27-3-4**.

33 (3) As required by ~~IC 20-9-1-5~~ **IC 20-27-9**.

34 SECTION 56. IC 9-21-8-52 IS AMENDED TO READ AS
35 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 52. (a) A person who
36 operates a vehicle and who recklessly:

37 (1) drives at such an unreasonably high rate of speed or at such an
38 unreasonably low rate of speed under the circumstances as to:

39 (A) endanger the safety or the property of others; or

40 (B) block the proper flow of traffic;

41 (2) passes another vehicle from the rear while on a slope or on a
42 curve where vision is obstructed for a distance of less than five
43 hundred (500) feet ahead;

44 (3) drives in and out of a line of traffic, except as otherwise
45 permitted;

46 (4) speeds up or refuses to give one-half (1/2) of the roadway to



1 a driver overtaking and desiring to pass; or
 2 (5) passes a school bus stopped on a roadway when the arm signal
 3 device specified in IC 20-9.1-5-14 is in the device's extended
 4 position;

5 commits a Class B misdemeanor.

6 (b) If an offense under subsection (a) results in damage to the
 7 property of another person, the court shall recommend the suspension
 8 of the current driving license of the person for a fixed period of:

- 9 (1) not less than thirty (30) days; and
 10 (2) not more than one (1) year.

11 SECTION 57. IC 9-21-12-1 IS AMENDED TO READ AS
 12 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. (a) A person who
 13 drives a vehicle that:

14 (1) meets or overtakes from any direction a school bus stopped on
 15 a roadway and is not stopped before reaching the school bus when
 16 the arm signal device specified in IC 20-9.1-5-14 is in the device's
 17 extended position; or

18 (2) proceeds before the arm signal device is no longer extended;
 19 commits the offense described in section 9 of this chapter.

20 (b) This section is applicable only if the school bus is in substantial
 21 compliance with the markings required by the state school bus
 22 committee.

23 (c) There is a rebuttable presumption that the owner of the vehicle
 24 involved in the violation of this section committed the violation. This
 25 presumption does not apply to the owner of a vehicle involved in the
 26 violation of this section if the owner routinely engages in the business
 27 of renting the vehicle for periods of thirty (30) days or less.

28 SECTION 58. IC 9-21-12-4 IS AMENDED TO READ AS
 29 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. (a) The state school
 30 bus committee established ~~under IC 20-9.1-4~~ by IC 20-27-3-1 shall
 31 adopt and enforce rules that are consistent with this chapter to govern
 32 the design and operation of all school buses used for the transportation
 33 of school children that are:

- 34 (1) owned and operated by a school corporation; or
 35 (2) privately owned and operated under contract with a school
 36 corporation;

37 in Indiana. Rules adopted under this section shall by reference be made
 38 a part of a contract between a private school bus company and a school
 39 corporation.

40 (b) Each school corporation, the school corporation's officers and
 41 employees, and every person employed under contract by a school
 42 district is subject to the rules adopted under this section.

43 SECTION 59. IC 9-24-2-1 IS AMENDED TO READ AS
 44 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. (a) A driver's license
 45 or a learner's permit may not be issued to an individual less than
 46 eighteen (18) years of age who meets any of the following conditions:



- 1 (1) Is a habitual truant under ~~IC 20-8.1-3-17.2~~ **IC 20-33-2-11**.
- 2 (2) Is under at least a second suspension from school for the
- 3 school year under ~~IC 20-8.1-5.1-8~~ **IC 20-33-8-8** or
- 4 ~~IC 20-8.1-5.1-9~~ **IC 20-33-8-9**.
- 5 (3) Is under an expulsion from school under ~~IC 20-8.1-5.1-8~~,
- 6 **IC 20-33-8-8**, ~~IC 20-8.1-5.1-9~~, **IC 20-33-8-9**, or ~~IC 20-8.1-5.1-10~~.
- 7 **IC 20-33-8-10**.
- 8 (4) Has withdrawn from school, for a reason other than financial
- 9 hardship and the withdrawal was reported under
- 10 ~~IC 20-8.1-3-24(a)~~ **IC 20-33-2-21(a)** before graduating.
- 11 (b) At least five (5) days before holding an exit interview under
- 12 ~~IC 20-8.1-3-17(b)(2)~~, **IC 20-33-2-6(a)(3)**, the school corporation shall
- 13 give notice by certified mail or personal delivery to the student, the
- 14 student's parent, or the student's guardian of the following:
- 15 (1) That the exit interview will include a hearing to determine if
- 16 the reason for the student's withdrawal is financial hardship.
- 17 (2) If the principal determines that the reason for the student's
- 18 withdrawal is not financial hardship:
- 19 (A) the student and the student's parent or guardian will
- 20 receive a copy of the determination; and
- 21 (B) the student's name will be submitted to the bureau for the
- 22 bureau's use in denying or invalidating a driver's license or
- 23 learner's permit under this section.
- 24 SECTION 60. IC 9-24-2-4 IS AMENDED TO READ AS
- 25 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. (a) If a person is less
- 26 than eighteen (18) years of age and is a habitual truant, is under a
- 27 suspension or an expulsion or has withdrawn from school as described
- 28 in section 1 of this chapter, the bureau shall, upon notification by the
- 29 person's principal, invalidate the person's license or permit until the
- 30 earliest of the following:
- 31 (1) The person becomes eighteen (18) years of age.
- 32 (2) One hundred twenty (120) days after the person is suspended,
- 33 or the end of a semester during which the person returns to
- 34 school, whichever is longer.
- 35 (3) The suspension, expulsion, or exclusion is reversed after the
- 36 person has had a hearing under ~~IC 20-8.1-5.1~~ **IC 20-33-10**.
- 37 (b) The bureau shall promptly mail a notice to the person's last
- 38 known address that states the following:
- 39 (1) That the person's driving privileges will be invalidated for a
- 40 specified period commencing five (5) days after the date of the
- 41 notice.
- 42 (2) That the person has the right to appeal the invalidation of a
- 43 license or permit.
- 44 (c) If an aggrieved person believes that:
- 45 (1) the information provided was technically incorrect; or
- 46 (2) the bureau committed a technical or procedural error;



1 the aggrieved person may appeal the invalidation of a license under
2 IC 9-25.

3 (d) If a person satisfies the conditions for reinstatement of a license
4 under this section, the person may submit to the bureau the necessary
5 information certifying that at least one (1) of the events described in
6 subsection (a) has occurred.

7 (e) Upon certifying the information received under subsection (d),
8 the bureau shall revalidate the person's license or permit.

9 (f) A person may not operate a motor vehicle in violation of this
10 section.

11 (g) A person whose license or permit is invalidated under this
12 section may apply for a restricted driving permit under IC 9-24-15.

13 (h) The bureau shall revalidate the license or permit of a person
14 whose license or permit was invalidated under this section who does
15 the following:

16 (1) Establishes to the satisfaction of the principal of the school
17 where the action occurred that caused the invalidation of the
18 person's license or permit that the person has:

19 (A) enrolled in a full-time or part-time program of education;
20 and

21 (B) participated for thirty (30) or more days in the program of
22 education.

23 (2) Submits to the bureau a form developed by the bureau that
24 contains:

25 (A) the verified signature of the principal or the president of
26 the governing body of the school described in subdivision (1);
27 and

28 (B) notification to the bureau that the person has complied
29 with subdivision (1).

30 A person may appeal the decision of a principal under subdivision (1)
31 to the governing body of the school corporation where the principal's
32 school is located.

33 SECTION 61. IC 9-24-2-5 IS AMENDED TO READ AS
34 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. (a) A person whose
35 driving privileges have been invalidated under section 4 of this chapter
36 is entitled to a prompt judicial hearing. The person may file a petition
37 that requests a hearing in a circuit, superior, county, or municipal court
38 in the county where:

39 (1) the person resides; or

40 (2) the school attended by the person is located.

41 (b) The petition for review must:

42 (1) be in writing; and

43 (2) be verified by the person seeking review and:

44 (A) allege specific facts that indicate the suspension or
45 expulsion was improper; or

46 (B) allege that due to the person's emancipation or dependents



1 that an undue hardship exists that requires the granting of a
2 restricted driving permit.

3 (c) The hearing conducted by the court under this section shall be
4 limited to the following issues:

5 (1) Whether the school followed proper procedures when
6 suspending or expelling the person from school, including
7 affording the person due process under ~~IC 20-8.1-5.1~~ **IC 20-33-8**.

8 (2) Whether the bureau followed proper procedures in
9 invalidating the person's license or permit.

10 (3) Whether an undue hardship exists that requires the granting of
11 a restricted driving permit.

12 (d) If the court finds:

13 (1) that the school failed to follow proper procedures when
14 suspending or expelling the person from school; or

15 (2) that the bureau failed to follow proper procedures in
16 invalidating the person's license or permit;

17 the court may order the bureau to reinstate the person's driving
18 privileges.

19 (e) If the court finds that an undue hardship exists, the court may
20 order a restricted driving permit limiting the petitioner to essential
21 driving for work and driving between home, work, and school only.
22 The restricted driving permit must state the restrictions related to time,
23 territory, and route. If a court orders a restricted driving permit for the
24 petitioner, the court shall do the following:

25 (1) Include in the order a finding of facts that states the
26 petitioner's driving restrictions.

27 (2) Enter the findings of fact and order in the order book of the
28 court.

29 (3) Send the bureau a signed copy of the order.

30 (f) The prosecuting attorney of the county in which a petition has
31 been filed under this section shall represent the state on behalf of the
32 bureau with respect to the petition. A school that is made a party to an
33 action filed under this section is responsible for the school's own
34 representation.

35 (g) In an action under this section the petitioner has the burden of
36 proof by a preponderance of the evidence.

37 (h) The court's order is a final judgment appealable in the manner
38 of civil actions by either party. The attorney general shall represent the
39 state on behalf of the bureau with respect to the appeal.

40 SECTION 62. IC 9-24-6-6 IS AMENDED TO READ AS
41 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6. (a) The following, if
42 committed while driving a commercial motor vehicle, are serious
43 traffic violations:

44 (1) Operating a vehicle at least fifteen (15) miles per hour above
45 the posted speed limit in violation of IC 9-21-5, IC 9-21-6, or
46 IC 20-9.1-5-10.



- 1 (2) Operating a vehicle recklessly as provided in IC 9-21-8-50 and
 2 IC 9-21-8-52.
- 3 (3) Improper or erratic traffic lane changes in violation of
 4 IC 9-21-8-2 through IC 9-21-8-13 and IC 9-21-8-17 through
 5 IC 9-21-8-18.
- 6 (4) Following a vehicle too closely in violation of IC 9-21-8-14
 7 through IC 9-21-8-16.
- 8 (5) In connection with a fatal accident, violating any statute,
 9 ordinance, or rule concerning motor vehicle traffic control other
 10 than parking statutes, ordinances, or rules.
- 11 (6) Operating a vehicle while disqualified under this chapter.
- 12 (7) For drivers who are not required to always stop at a railroad
 13 crossing, failing to do any of the following:
- 14 (A) Slow down and determine that the railroad tracks are clear
 15 of an approaching train, in violation of IC 9-21-5-4,
 16 IC 9-21-8-39, IC 35-42-2-4, or any similar statute.
- 17 (B) Stop before reaching the railroad crossing, if the railroad
 18 tracks are not clear of an approaching train, in violation of
 19 IC 9-21-4-16, IC 9-21-8-39, or any similar statute.
- 20 (8) For all drivers, whether or not they are required to always stop
 21 at a railroad crossing, to do any of the following:
- 22 (A) Stopping in a railroad crossing, in violation of
 23 IC 9-21-8-50 or any similar statute.
- 24 (B) Failing to obey a traffic control device or failing to obey
 25 the directions of a law enforcement officer at a railroad
 26 crossing, in violation of IC 9-21-8-1 or any similar statute.
- 27 (C) Stopping in a railroad crossing because of insufficient
 28 undercarriage clearance, in violation of IC 35-42-2-4,
 29 IC 9-21-8-50, or any similar statute.
- 30 (b) Subsection (a)(1) and (a)(8) is intended to comply with the
 31 provisions of 49 U.S.C. 31311(a)(10) and regulations adopted under
 32 that statute.
- 33 SECTION 63. IC 9-27-4-4 IS AMENDED TO READ AS
 34 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. (a) To establish or
 35 operate a commercial driver training school, the school must obtain a
 36 license from the bureau in the manner and form prescribed by the
 37 bureau.
- 38 (b) Subject to subsection (c), the bureau shall adopt rules under
 39 IC 4-22-2 that state the requirements for obtaining a school license,
 40 including the following:
- 41 (1) Location of the school.
- 42 (2) Equipment required.
- 43 (3) Courses of instruction.
- 44 (4) Instructors.
- 45 (5) Previous records of the school and instructors.
- 46 (6) Financial statements.



- 1 (7) Schedule of fees and charges.
 2 (8) Character and reputation of the operators and instructors.
 3 (9) Insurance in the amount and with the provisions the bureau
 4 considers necessary to adequately protect the interests of the
 5 public.
 6 (10) Other matters the bureau prescribes for the protection of the
 7 public.
 8 (c) The rules adopted under subsection (b) must permit a licensed
 9 school to conduct classroom training in a county outside the county
 10 where the school is located to the students of:
 11 (1) a school corporation (as defined in IC 36-1-2-17);
 12 (2) a nonpublic secondary school that voluntarily becomes
 13 accredited under ~~IC 20-1-1-6~~; **IC 20-19-2-8**; or
 14 (3) a nonpublic secondary school recognized under ~~IC 20-1-1-6.2~~;
 15 **IC 20-19-2-10**;
 16 if the governing body of the school corporation or the nonpublic
 17 secondary school approves the delivery of the training to its students.
 18 SECTION 64. IC 9-27-4-5.5 IS AMENDED TO READ AS
 19 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5.5. (a) To receive an
 20 instructor's license under subsection (d), an individual must complete
 21 at least sixty (60) semester hours at a college. The individual must
 22 complete at least twelve (12) semester hours in driver education
 23 courses, of which three (3) semester hours must consist of supervised
 24 student teaching experience under the direction of an individual who
 25 has:
 26 (1) a driver and traffic safety education endorsement issued by the
 27 professional standards board established by ~~IC 20-1-1.4~~;
 28 **IC 20-28-2**; and
 29 (2) at least five (5) years of teaching experience in driver
 30 education.
 31 (b) The three (3) semester hours of supervised student teaching
 32 experience required under subsection (a) may only be undertaken by an
 33 individual who will be at least twenty-one (21) years of age upon
 34 completion and may only be performed at a high school, a commercial
 35 driving school, or the college providing the courses for the individual
 36 to become an instructor. The remaining nine (9) hours of driver
 37 education courses required under subsection (a) must include a
 38 combination of theoretical and behind-the-wheel instruction that is
 39 consistent with nationally accepted standards in traffic safety.
 40 (c) The driver education semester hours required under subsection
 41 (a) do not satisfy the requirements of subsection (d) or (e) unless the
 42 driver education curriculum is approved by the commission for higher
 43 education.
 44 (d) The bureau shall issue an instructor's license to an individual
 45 who satisfies all of the following:
 46 (1) The individual meets the requirements of subsection (a).



1 (2) The individual does not have more than the maximum number
2 of points for violating traffic laws specified by the bureau by rules
3 adopted under IC 4-22-2.

4 (3) The individual has a good moral character, physical condition,
5 knowledge of the rules of the road, and work history. The bureau
6 shall adopt rules under IC 4-22-2 that specify the requirements,
7 including requirements about criminal convictions, necessary to
8 satisfy the conditions of this subdivision.

9 (e) The bureau shall issue an instructor's license to an individual
10 who:

- 11 (1) during 1995, held an instructor's license;
12 (2) meets the requirements of subsection (d)(2) and (d)(3); and
13 (3) completes the twelve (12) semester hours of driver education
14 courses required under subsection (a) not later than July 1, 1999.

15 However, an individual who has acted as an instructor for at least two
16 (2) years before January 1, 1996, is not required to complete the
17 requirements of subdivision (3) in order to receive an instructor's
18 license under this subsection.

19 (f) The bureau shall issue an instructor's license to an individual
20 who:

- 21 (1) holds a driver and traffic safety education endorsement issued
22 by the professional standards board established under
23 ~~IC 20-1-1.4~~; **IC 20-28-2**; and
24 (2) meets the requirements of subsection (d)(2) and (d)(3).

25 (g) Only an individual who holds an instructor's license issued by
26 the bureau under subsection (d), (e), or (f) may act as an instructor.

27 SECTION 65. IC 9-29-5-2 IS AMENDED TO READ AS
28 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. The fee for the
29 registration of a motorcycle is seventeen dollars (\$17). The revenue
30 from this fee shall be allocated as follows:

- 31 (1) Seven dollars (\$7) to the motorcycle operator safety education
32 fund established ~~under IC 20-10-1-7-14~~; **by IC 20-30-13**.
33 (2) An amount prescribed as a license branch service charge
34 under IC 9-29-3.
35 (3) The balance to the state general fund for credit to the motor
36 vehicle highway account.

37 SECTION 66. IC 10-13-3-3 IS AMENDED TO READ AS
38 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. As used in this
39 chapter, "certificated employee" has the meaning set forth in
40 ~~IC 20-7-5-1-2~~; **IC 20-29-2-4**.

41 SECTION 67. IC 10-13-3-14 IS AMENDED TO READ AS
42 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 14. As used in this
43 chapter, "noncertificated employee" has the meaning set forth in
44 ~~IC 20-7-5-1-2~~; **IC 20-29-2-11**.

45 SECTION 68. IC 10-13-3-20 IS AMENDED TO READ AS
46 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 20. As used in this



1 chapter, "school corporation" has the meaning set forth in
 2 ~~IC 20-10-1-1-1~~ **IC 20-18-2-[??]**.

3 SECTION 69. IC 10-13-3-21 IS AMENDED TO READ AS
 4 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 21. As used in this
 5 chapter, "special education cooperative" has the meaning set forth in
 6 ~~IC 20-1-6-20~~ **IC 20-35-5-20**.

7 SECTION 70. IC 10-13-3-27 IS AMENDED TO READ AS
 8 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 27. (a) Except as
 9 provided in subsection (b), on request, law enforcement agencies shall
 10 release or allow inspection of a limited criminal history to noncriminal
 11 justice organizations or individuals only if the subject of the request:

12 (1) has applied for employment with a noncriminal justice
 13 organization or individual;

14 (2) has applied for a license and criminal history data as required
 15 by law to be provided in connection with the license;

16 (3) is a candidate for public office or a public official;

17 (4) is in the process of being apprehended by a law enforcement
 18 agency;

19 (5) is placed under arrest for the alleged commission of a crime;

20 (6) has charged that the subject's rights have been abused
 21 repeatedly by criminal justice agencies;

22 (7) is the subject of a judicial decision or determination with
 23 respect to the setting of bond, plea bargaining, sentencing, or
 24 probation;

25 (8) has volunteered services that involve contact with, care of, or
 26 supervision over a child who is being placed, matched, or
 27 monitored by a social services agency or a nonprofit corporation;

28 (9) has volunteered services at a public school (as defined in
 29 ~~IC 20-10-1-1-2~~ **IC 20-18-2-[??]**) or non-public school (as
 30 defined in ~~IC 20-10-1-1-3~~ **IC 20-18-2-[??]**) that involve contact

31 with, care of, or supervision over a student enrolled in the school;
 32 (10) is being investigated for welfare fraud by an investigator of
 33 the division of family and children or a county office of family
 34 and children;

35 (11) is being sought by the parent locator service of the child
 36 support bureau of the division of family and children;

37 (12) is or was required to register as a sex and violent offender
 38 under IC 5-2-12; or

39 (13) has been convicted of any of the following:

40 (A) Rape (IC 35-42-4-1), if the victim is less than eighteen
 41 (18) years of age.

42 (B) Criminal deviate conduct (IC 35-42-4-2), if the victim is
 43 less than eighteen (18) years of age.

44 (C) Child molesting (IC 35-42-4-3).

45 (D) Child exploitation (IC 35-42-4-4(b)).

46 (E) Possession of child pornography (IC 35-42-4-4(c)).



- 1 (F) Vicarious sexual gratification (IC 35-42-4-5).
 2 (G) Child solicitation (IC 35-42-4-6).
 3 (H) Child seduction (IC 35-42-4-7).
 4 (I) Sexual misconduct with a minor as a felony (IC 35-42-4-9).
 5 (J) Incest (IC 35-46-1-3), if the victim is less than eighteen
 6 (18) years of age.

7 However, limited criminal history information obtained from the
 8 National Crime Information Center may not be released under this
 9 section except to the extent permitted by the Attorney General of the
 10 United States.

11 (b) A law enforcement agency shall allow inspection of a limited
 12 criminal history by and release a limited criminal history to the
 13 following noncriminal justice organizations:

- 14 (1) Federally chartered or insured banking institutions.
 15 (2) Officials of state and local government for any of the
 16 following purposes:
 17 (A) Employment with a state or local governmental entity.
 18 (B) Licensing.
 19 (3) Segments of the securities industry identified under 15 U.S.C.
 20 78q(f)(2).

21 (c) Any person who uses limited criminal history for any purpose
 22 not specified under this section commits a Class A misdemeanor.

23 SECTION 71. IC 10-13-3-36 IS AMENDED TO READ AS
 24 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 36. (a) The department
 25 may not charge a fee for responding to a request for the release of a
 26 limited criminal history record if the request is made by a nonprofit
 27 organization:

- 28 (1) that has been in existence for at least ten (10) years; and
 29 (2) that:
 30 (A) has a primary purpose of providing an individual
 31 relationship for a child with an adult volunteer if the request
 32 is made as part of a background investigation of a prospective
 33 adult volunteer for the organization;
 34 (B) is a home health agency licensed under IC 16-27-1;
 35 (C) is a community mental retardation and other
 36 developmental disabilities center (as defined in IC 12-7-2-39);
 37 (D) is a supervised group living facility licensed under
 38 IC 12-28-5;
 39 (E) is an area agency on aging designated under IC 12-10-1;
 40 (F) is a community action agency (as defined in
 41 IC 12-14-23-2);
 42 (G) is the owner or operator of a hospice program licensed
 43 under IC 16-25-3; or
 44 (H) is a community mental health center (as defined in
 45 IC 12-7-2-38).

46 (b) Except as provided in subsection (d), the department may not



1 charge a fee for responding to a request for the release of a limited
 2 criminal history record made by the division of family and children or
 3 a county office of family and children if the request is made as part of
 4 a background investigation of an applicant for a license under
 5 IC 12-17.2 or IC 12-17.4.

6 (c) The department may not charge a fee for responding to a request
 7 for the release of a limited criminal history if the request is made by a
 8 school corporation, special education cooperative, or non-public school
 9 (as defined in ~~IC 20-10.1-1-3~~) **IC 20-18-2-[[?]]**) as part of a
 10 background investigation of an employee or adult volunteer for the
 11 school corporation, special education cooperative, or nonpublic school.

12 (d) As used in this subsection, "state agency" means an authority, a
 13 board, a branch, a commission, a committee, a department, a division,
 14 or another instrumentality of state government, including the executive
 15 and judicial branches of state government, the principal secretary of the
 16 senate, the principal clerk of the house of representatives, the executive
 17 director of the legislative services agency, a state elected official's
 18 office, or a body corporate and politic, but does not include a state
 19 educational institution (as defined in IC 20-12-0.5-1). The department
 20 may not charge a fee for responding to a request for the release of a
 21 limited criminal history if the request is made:

22 (1) by a state agency; and

23 (2) through the computer gateway that is administered by the
 24 intelenet commission under IC 5-21-2 and known as
 25 accessIndiana.

26 (e) The department may not charge a fee for responding to a request
 27 for the release of a limited criminal history record made by the health
 28 professions bureau established by IC 25-1-5-3 if the request is:

29 (1) made through the computer gateway that is administered by
 30 the intelenet commission under IC 5-21-2 and known as
 31 accessIndiana; and

32 (2) part of a background investigation of a practitioner or an
 33 individual who has applied for a license issued by a board (as
 34 defined in IC 25-1-9-1).

35 SECTION 72. IC 10-13-3-38.5 IS AMENDED TO READ AS
 36 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 38.5. (a) Under federal
 37 P.L.92-544 (86 Stat. 1115), the department may use an individual's
 38 fingerprints submitted by the individual for the following purposes:

39 (1) Determining the individual's suitability for employment with
 40 the state, or as an employee of a contractor of the state, in a
 41 position:

42 (A) that has a job description that includes contact with, care
 43 of, or supervision over a person less than eighteen (18) years
 44 of age;

45 (B) that has a job description that includes contact with, care
 46 of, or supervision over an endangered adult (as defined in



- 1 IC 12-10-3-2), except the individual is not required to meet the
 2 standard for harmed or threatened with harm set forth in
 3 IC 12-10-3-2(a)(3);
 4 (C) at a state institution managed by the office of the secretary
 5 of family and social services or state department of health;
 6 (D) at the Indiana School for the Deaf established by
 7 ~~IC 20-16-2-1~~; **IC 20-22-2-1**;
 8 (E) at the Indiana School for the Blind established by
 9 ~~IC 20-15-2-1~~; **IC 20-21-2-1**.
 10 (F) at a juvenile detention facility;
 11 (G) with the gaming commission under IC 4-33-3-16;
 12 (H) with the department of financial institutions under
 13 IC 28-11-2-3; or
 14 (I) that has a job description that includes access to or
 15 supervision over state financial or personnel data, including
 16 state warrants, banking codes, or payroll information
 17 pertaining to state employees.
 18 (2) Identification in a request related to an application for a
 19 teacher's license submitted to the professional standards board
 20 established under ~~IC 20-1-1-4~~; **IC 20-28-2**.

21 An applicant shall submit the fingerprints in an appropriate format or
 22 on forms provided for the employment or license application. The
 23 department shall charge each applicant the fee established under
 24 section 28 of this chapter and by federal authorities to defray the costs
 25 associated with a search for and classification of the applicant's
 26 fingerprints. The department may forward fingerprints submitted by an
 27 applicant to the Federal Bureau of Investigation or any other agency for
 28 processing. The state personnel department or the agency to which the
 29 applicant is applying for employment or a license may receive the
 30 results of all fingerprint investigations.

31 (b) An applicant who is an employee of the state may not be charged
 32 under subsection (a).

33 (c) Subsection (a)(1) does not apply to an employee of a contractor
 34 of the state if the contract involves the construction or repair of a
 35 capital project or other public works project of the state.

36 SECTION 73. IC 10-13-3-39 IS AMENDED TO READ AS
 37 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 39. (a) The department
 38 is designated as the authorized agency to receive requests for, process,
 39 and disseminate the results of national criminal history background
 40 checks that comply with this section and 42 U.S.C. 5119a.

41 (b) A qualified entity may contact the department to request a
 42 national criminal history background check on any of the following
 43 persons:

- 44 (1) A person who seeks to be or is employed with the qualified
 45 entity. A request under this subdivision must be made not later
 46 than three (3) months after the person is initially employed by the



- 1 qualified entity.
- 2 (2) A person who seeks to volunteer or is a volunteer with the
3 qualified entity. A request under this subdivision must be made
4 not later than three (3) months after the person initially volunteers
5 with the qualified entity.
- 6 (c) A qualified entity must submit a request under subsection (b) in
7 the form required by the department and provide a set of the person's
8 fingerprints and any required fees with the request.
- 9 (d) If a qualified entity makes a request in conformity with
10 subsection (b), the department shall submit the set of fingerprints
11 provided with the request to the Federal Bureau of Investigation for a
12 national criminal history background check for convictions described
13 in ~~IC 20-5-2-8~~ **IC 20-26-5-8**. The department shall respond to the
14 request in conformity with:
- 15 (1) the requirements of 42 U.S.C. 5119a; and
16 (2) the regulations prescribed by the Attorney General of the
17 United States under 42 U.S.C. 5119a.
- 18 (e) This subsection applies to a qualified entity that:
- 19 (1) is not a school corporation or a special education cooperative;
20 or
21 (2) is a school corporation or a special education cooperative and
22 seeks a national criminal history background check for a
23 volunteer.
- 24 After receiving the results of a national criminal history background
25 check from the Federal Bureau of Investigation, the department shall
26 make a determination whether the applicant has been convicted of an
27 offense described in ~~IC 20-5-2-8~~ **IC 20-26-5-8** and convey the
28 determination to the requesting qualified entity.
- 29 (f) This subsection applies to a qualified entity that:
- 30 (1) is a school corporation or a special education cooperative; and
31 (2) seeks a national criminal history background check to
32 determine whether to employ or continue the employment of a
33 certificated employee or a noncertificated employee of a school
34 corporation or an equivalent position with a special education
35 cooperative.
- 36 After receiving the results of a national criminal history background
37 check from the Federal Bureau of Investigation, the department may
38 exchange identification records concerning convictions for offenses
39 described in ~~IC 20-5-2-8~~ **IC 20-26-5-8** with the school corporation or
40 special education cooperative solely for purposes of making an
41 employment determination. The exchange may be made only for the
42 official use of the officials with authority to make the employment
43 determination. The exchange is subject to the restrictions on
44 dissemination imposed under P.L.92-544, (86 Stat. 1115) (1972).
- 45 SECTION 74. IC 11-10-5-1 IS AMENDED TO READ AS
46 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. The department



1 shall, after consulting with the state superintendent of public
 2 instruction and the Indiana commission on vocational and technical
 3 education of the department of workforce development, implement
 4 academic and vocational education curricula and programs for
 5 confined offenders, by utilizing qualified personnel employed by the
 6 department or by arranging for instruction to be given by public or
 7 private educational agencies in Indiana. The department shall include
 8 special education programs, which shall be governed under
 9 ~~IC 20-1-6-2.1~~ **IC 20-35-2-2.1**. To provide funding for development
 10 and implementation of academic and vocational education curricula
 11 and programs, the department may accept gifts and apply for and
 12 receive grants from any source.

13 SECTION 75. IC 11-10-5-2 IS AMENDED TO READ AS
 14 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. The professional
 15 standards board established by ~~IC 20-1-1-4~~ **IC 20-28-2** shall, in accord
 16 with ~~IC 20-6-1-3~~, **IC 20-28-4** and **IC 20-28-5**, adopt rules under
 17 IC 4-22-2 for the licensing of teachers to be employed by the
 18 department.

19 SECTION 76. IC 11-10-5-3 IS AMENDED TO READ AS
 20 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. Limited certificates
 21 valid for one (1) year may be granted, upon the request of the
 22 commissioner, according to rules of the professional standards board
 23 established by ~~IC 20-1-1-4~~ **IC 20-28-2**. Modification of these rules
 24 may be made by the professional standards board in a way reasonably
 25 calculated to make available an adequate supply of qualified teachers.
 26 A limited certificate may be issued in cases where special training and
 27 qualifications warrant the waiver of part of the prerequisite
 28 professional training required for certification to teach in the public
 29 schools. The limited certificate, however, may be issued only to
 30 applicants who have graduated from an accredited college or
 31 university. Teachers of vocational education need not be graduates of
 32 an accredited college or university but shall meet requirements for
 33 conditional vocational certificates as determined by the professional
 34 standards board.

35 SECTION 77. IC 11-10-8-3 IS AMENDED TO READ AS
 36 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. (a) Before an
 37 offender may be assigned to a minimum security release program:

38 (1) the offender must be assigned to a minimum security
 39 classification in accord with IC 35-38-3 (any change in the degree
 40 of security, from minimum to a higher degree, whether the change
 41 occurs before or after assignment to a release program, renders
 42 the offender ineligible for participation in the release program,
 43 and the department shall take appropriate action for the offender's
 44 immediate removal from the release program and reassignment to
 45 a facility or program consistent with the offender's degree of
 46 security assignment); and



- 1 (2) the department must find that:
 2 (A) the offender is likely to respond affirmatively to the
 3 program;
 4 (B) it is reasonably unlikely that the offender will commit
 5 another crime while assigned to the program; and
 6 (C) the offender demonstrates reading and writing skills that
 7 meet minimum literacy standards:
 8 (i) developed by the department with the assistance of the
 9 advisory adult literacy coalition established by the governor
 10 under ~~IC 20-11-3~~; **IC 20-20-21**; and
 11 (ii) established under rules adopted by the department under
 12 IC 4-22-2.
- 13 (b) The minimum literacy standards adopted by the department
 14 under subsection (a)(2)(C) must provide that an offender is exempt
 15 from those standards if the department determines that:
 16 (1) the offender is unable to meet the minimum literacy standards
 17 as a result of a disability; or
 18 (2) the length of the offender's sentence prevents the offender
 19 from achieving the minimum literacy standards before the
 20 expiration of the offender's sentence.
- 21 SECTION 78. IC 11-13-1-8 IS AMENDED TO READ AS
 22 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 8. (a) As used in this
 23 section, "board" refers to the board of directors of the judicial
 24 conference of Indiana established by IC 33-38-9-3.
- 25 (b) The board shall adopt rules consistent with this chapter,
 26 prescribing minimum standards concerning:
 27 (1) educational and occupational qualifications for employment
 28 as a probation officer;
 29 (2) compensation of probation officers;
 30 (3) protection of probation records and disclosure of information
 31 contained in those records; and
 32 (4) presentence investigation reports.
- 33 (c) The conference shall prepare a written examination to be used
 34 in establishing lists of persons eligible for appointment as probation
 35 officers. The conference shall prescribe the qualifications for entrance
 36 to the examination and establish a minimum passing score and rules for
 37 the administration of the examination after obtaining recommendations
 38 on these matters from the probation standards and practices advisory
 39 committee. The examination must be offered at least once every other
 40 month.
- 41 (d) The conference shall, by its rules, establish an effective date for
 42 the minimum standards and written examination for probation officers.
- 43 (e) The conference shall provide probation departments with
 44 training and technical assistance for:
 45 (1) the implementation and management of probation case
 46 classification; and



- 1 (2) the development and use of workload information.
 2 The staff of the Indiana judicial center may include a probation case
 3 management coordinator and probation case management assistant.
 4 (f) The conference shall, in cooperation with the division of family
 5 and children and the department of education, provide probation
 6 departments with training and technical assistance relating to special
 7 education services and programs that may be available for delinquent
 8 children or children in need of services. The subjects addressed by the
 9 training and technical assistance must include the following:
 10 (1) Eligibility standards.
 11 (2) Testing requirements and procedures.
 12 (3) Procedures and requirements for placement in programs
 13 provided by school corporations or special education cooperatives
 14 under ~~IC 20-1-6~~ **IC 20-35-5**.
 15 (4) Procedures and requirements for placement in residential
 16 special education institutions or facilities under ~~IC 20-1-6-19~~
 17 **IC 20-35-6-2** and 511 IAC 7-27-12.
 18 (5) Development and implementation of individual education
 19 programs for eligible children in:
 20 (A) accordance with applicable requirements of state and
 21 federal laws and rules; and
 22 (B) in coordination with:
 23 (i) individual case plans; and
 24 (ii) informal adjustment programs or dispositional decrees
 25 entered by courts having juvenile jurisdiction under
 26 IC 31-34 and IC 31-37.
 27 (6) Sources of federal, state, and local funding that is or may be
 28 available to support special education programs for children for
 29 whom proceedings have been initiated under IC 31-34 and
 30 IC 31-37.
 31 Training for probation departments may be provided jointly with
 32 training provided to child welfare caseworkers relating to the same
 33 subject matter.
 34 (g) The conference shall, in cooperation with the division of mental
 35 health and addiction (IC 12-21) and the division of disability, aging,
 36 and rehabilitative services (IC 12-9-1), provide probation departments
 37 with training and technical assistance concerning mental illness,
 38 addictive disorders, mental retardation, and developmental disabilities.
 39 (h) The conference shall make recommendations to courts and
 40 probation departments concerning:
 41 (1) selection, training, distribution, and removal of probation
 42 officers;
 43 (2) methods and procedure for the administration of probation,
 44 including investigation, supervision, workloads, record keeping,
 45 and reporting; and
 46 (3) use of citizen volunteers and public and private agencies.



1 (i) The conference may delegate any of the functions described in
2 this section to the advisory committee or the Indiana judicial center.

3 SECTION 79. IC 11-14-2-5 IS AMENDED TO READ AS
4 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. The department shall
5 adopt rules under IC 4-22-2 that ensure the boot camp provides the
6 following for participants:

7 (1) A paramilitary environment emphasizing discipline, physical
8 development, value modification, treatment intervention, and
9 meaningful assignments.

10 (2) An opportunity for a participant to:

11 (A) learn self-discipline, self-respect, and personal
12 accountability;

13 (B) acquire a positive work ethic and job skills; and

14 (C) form habits of cleanliness and hygiene.

15 (3) Treatment and counseling, if necessary, for the following:

16 (A) Drug and alcohol abuse.

17 (B) Emotional or mental problems.

18 (4) Education, including the following:

19 (A) Remedial programs.

20 (B) Programs in preparation for a state of Indiana **general**
21 educational development (GED) diploma under
22 ~~IC 20-10-1-12.1.~~ **IC 20-20-6.**

23 (C) Life skills.

24 (5) Vocational assessment designed to evaluate a participant's
25 skill level and aptitudes for vocational and technical skill
26 development.

27 SECTION 80. IC 12-8-10-7 IS AMENDED TO READ AS
28 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7. (a) When a state
29 agency selects a grantee agency under section 6 of this chapter, the
30 state agency shall determine whether the purchase of service format
31 can be used as the procedure for reimbursing the grantee agency. The
32 state agency has exclusive authority to make this determination, but the
33 state agency shall seek to use the purchase of service format whenever
34 possible.

35 (b) If a state agency determines that the purchase of service format
36 can be used with a particular grantee agency, the state agency shall
37 notify the group of the state agency's decision. The group shall then
38 follow the procedure described in section 8 of this chapter.

39 (c) If a state agency determines that the purchase of service format
40 cannot be used with a particular grantee agency, the state agency shall
41 select the contract format that is to be used. If a state agency selects a
42 contract format under this subsection, the state agency shall notify the
43 group of the state agency's decision. The group shall then follow the
44 procedure described in section 8 of this chapter.

45 (d) Notwithstanding IC 4-13-2-20, ~~IC 20-1-1-8-17.2,~~
46 **IC 12-17-19-[??]**, or any other law, a contract format selected under



1 subsection (b) or (c) may include provisions for advance funding as
2 follows:

3 (1) For not more than one-sixth (1/6) of the contract amount if the
4 annual contract amount is at least fifty thousand dollars
5 (\$50,000).

6 (2) For not more than one-half (1/2) of the contract amount if the
7 annual contract amount is less than fifty thousand dollars
8 (\$50,000).

9 (3) For interim payments, with subsequent reconciliation of the
10 amounts paid under the contract and the cost of the services
11 actually provided.

12 SECTION 81. IC 12-9-5-4 IS AMENDED TO READ AS
13 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. ~~IC 20-1-6-2.1~~
14 **IC 20-35-2-2.1** applies to the operation of each education program for
15 children with disabilities (as defined in IC 20-1-6-1) conducted by a
16 state owned and operated developmental center or furnished under an
17 agreement with the division.

18 SECTION 82. IC 12-13-15.2-1 IS AMENDED TO READ AS
19 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. Each county office
20 of family and children shall provide to the following entities in the
21 county a list of dentists practicing in the county who provide dental
22 services under the Medicaid program (IC 12-15) or the children's
23 health insurance program (IC 12-17.6):

24 (1) Head Start programs (42 U.S.C. 9831 et seq.).

25 (2) Women, infants, and children nutrition programs (as defined
26 in IC 16-35-1.5-5).

27 (3) Maternal and child health clinics (as defined in IC 16-46-5-5).

28 (4) The local health department.

29 (5) School nurses appointed under ~~IC 20-8-1-7-5~~ **IC 20-34-3-6**.

30 (6) Child care centers licensed under IC 12-17.2-4.

31 (7) The township trustees.

32 SECTION 83. IC 12-14-2-17 IS AMENDED TO READ AS
33 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 17. (a) To retain
34 eligibility for AFDC assistance under this article, a recipient of AFDC
35 assistance and a dependent child who is a recipient of AFDC assistance
36 must attend school if all of the following apply:

37 (1) The recipient or the dependent child meets the compulsory
38 attendance requirements under ~~IC 20-8-1-3-17~~ **IC 20-33-2-[??]**.

39 (2) The recipient or the dependent child has not graduated from
40 a high school or has not obtained a high school equivalency
41 certificate (as defined in IC 12-14-5-2).

42 (3) The recipient or the dependent child is not excused from
43 attending school under ~~IC 20-8-1-3-18~~ **IC 20-33-2-[??]**.

44 (4) The recipient or the dependent child does not have good cause
45 for failing to attend school, as determined by rules adopted by the
46 director under IC 4-22-2.



1 (5) If the recipient or the dependent child is the mother of a child,
 2 a physician has not determined that the recipient or the dependent
 3 child should delay returning to school after giving birth.

4 (b) A recipient or the dependent child of a recipient described in
 5 subsection (a) who has more than three (3) unexcused absences during
 6 a school year is subject to revocation or suspension of assistance as
 7 provided in section 18 of this chapter.

8 (c) The director, in consultation with the department of education,
 9 shall adopt rules under IC 4-22-2 to establish a definition for the term
 10 "unexcused absence".

11 SECTION 84. IC 12-14-5-2 IS AMENDED TO READ AS
 12 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. As used in this
 13 chapter, "state of Indiana general educational development (GED)
 14 diploma" means the state credential issued to a qualified applicant
 15 under ~~IC 20-10-1-12.1~~ **IC 20-20-6**.

16 SECTION 85. IC 12-17-2-34 IS AMENDED TO READ AS
 17 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 34. (a) When the Title
 18 IV-D agency finds that an obligor is delinquent and can demonstrate
 19 that all previous enforcement actions have been unsuccessful, the Title
 20 IV-D agency shall send, to a verified address, a notice to the obligor
 21 that includes the following:

22 (1) Specifies that the obligor is delinquent.
 23 (2) Describes the amount of child support that the obligor is in
 24 arrears.

25 (3) States that unless the obligor:
 26 (A) pays the obligor's child support arrearage in full;
 27 (B) requests the activation of an income withholding order
 28 under IC 31-16-15-2 and establishes a payment plan with the
 29 Title IV-D agency to pay the arrearage; or
 30 (C) requests a hearing under section 35 of this chapter;

31 within twenty (20) days after the date the notice is mailed, the Title
 32 IV-D agency shall issue an order to the bureau of motor vehicles stating
 33 that the obligor is delinquent and that the obligor's driving privileges
 34 shall be suspended.

35 (4) Explains that the obligor has twenty (20) days after the notice
 36 is mailed to do one (1) of the following:

37 (A) Pay the obligor's child support arrearage in full.
 38 (B) Request the activation of an income withholding order
 39 under IC 31-16-15-2 and establish a payment plan with the
 40 Title IV-D agency to pay the arrearage.
 41 (C) Request a hearing under section 35 of this chapter.

42 (5) Explains that if the obligor has not satisfied any of the
 43 requirements of subdivision (4) within twenty (20) days after the
 44 notice is mailed, that the Title IV-D agency shall issue a notice to:

45 (A) the board that regulates the obligor's profession or
 46 occupation, if any, that the obligor is delinquent and that the



- 1 obligor may be subject to sanctions under IC 25-1-1.2,
 2 including suspension or revocation of the obligor's
 3 professional or occupational license;
 4 (B) the supreme court disciplinary commission if the obligor
 5 is licensed to practice law;
 6 (C) the professional standards board as established by
 7 ~~IC 20-1-1.4~~ **IC 20-28-2** if the obligor is a licensed teacher;
 8 (D) the Indiana horse racing commission if the obligor holds
 9 or applies for a license issued under IC 4-31-6;
 10 (E) the Indiana gaming commission if the obligor holds or
 11 applies for a license issued under IC 4-33;
 12 (F) the commissioner of the department of insurance if the
 13 obligor holds or is an applicant for a license issued under
 14 IC 27-1-15.6, IC 27-1-15.8, or IC 27-10-3; or
 15 (G) the director of the department of natural resources if the
 16 obligor holds or is an applicant for a license issued by the
 17 department of natural resources under the following:
 18 (i) IC 14-22-12 (fishing, hunting, and trapping licenses).
 19 (ii) IC 14-22-14 (Lake Michigan commercial fishing
 20 license).
 21 (iii) IC 14-22-16 (bait dealer's license).
 22 (iv) IC 14-22-17 (mussel license).
 23 (v) IC 14-22-19 (fur buyer's license).
 24 (vi) IC 14-24-7 (nursery dealer's license).
 25 (vii) IC 14-31-3 (ginseng dealer's license).
 26 (6) Explains that the only basis for contesting the issuance of an
 27 order under subdivision (3) or (5) is a mistake of fact.
 28 (7) Explains that an obligor may contest the Title IV-D agency's
 29 determination to issue an order under subdivision (3) or (5) by
 30 making written application to the Title IV-D agency within twenty
 31 (20) days after the date the notice is mailed.
 32 (8) Explains the procedures to:
 33 (A) pay the obligor's child support arrearage in full;
 34 (B) establish a payment plan with the Title IV-D agency to pay
 35 the arrearage; and
 36 (C) request the activation of an income withholding order
 37 under IC 31-16-15-2.
 38 (b) Whenever the Title IV-D agency finds that an obligor is
 39 delinquent and has failed to:
 40 (1) pay the obligor's child support arrearage in full;
 41 (2) establish a payment plan with the Title IV-D agency to pay the
 42 arrearage and request the activation of an income withholding
 43 order under IC 31-16-15-2; or
 44 (3) request a hearing under section 35 of this chapter within
 45 twenty (20) days after the date the notice described in subsection
 46 (a) is mailed;



1 the Title IV-D agency shall issue an order to the bureau of motor
2 vehicles stating that the obligor is delinquent.

3 (c) An order issued under subsection (b) must require the following:

4 (1) If the obligor who is the subject of the order holds a driving
5 license or permit on the date the order is issued, that the driving
6 privileges of the obligor be suspended until further order of the
7 Title IV-D agency.

8 (2) If the obligor who is the subject of the order does not hold a
9 driving license or permit on the date the order is issued, that the
10 bureau of motor vehicles may not issue a driving license or permit
11 to the obligor until the bureau of motor vehicles receives a further
12 order from the Title IV-D agency.

13 (d) The Title IV-D agency shall provide the:

- 14 (1) full name;
15 (2) date of birth;
16 (3) verified address; and
17 (4) Social Security number or driving license number;

18 of the obligor to the bureau of motor vehicles.

19 (e) When the Title IV-D agency finds that an obligor who is an
20 applicant (as defined in IC 25-1-1.2-1) or a practitioner (as defined in
21 IC 25-1-1.2-6) is delinquent and the applicant or practitioner has failed
22 to:

- 23 (1) pay the obligor's child support arrearage in full;
24 (2) establish a payment plan with the Title IV-D agency to pay the
25 arrearage or request the activation of an income withholding order
26 under IC 31-16-15; or
27 (3) request a hearing under section 35 of this chapter;

28 the Title IV-D agency shall issue an order to the board regulating the
29 practice of the obligor's profession or occupation stating that the
30 obligor is delinquent.

31 (f) An order issued under subsection (e) must direct the board
32 regulating the obligor's profession or occupation to impose the
33 appropriate sanctions described under IC 25-1-1.2.

34 (g) When the Title IV-D agency finds that an obligor who is an
35 attorney or a licensed teacher is delinquent and the attorney or licensed
36 teacher has failed to:

- 37 (1) pay the obligor's child support arrearage in full;
38 (2) establish a payment plan with the Title IV-D agency to pay the
39 arrearage or request the activation of an income withholding order
40 under IC 31-16-15-2; or
41 (3) request a hearing under section 35 of this chapter;

42 the Title IV-D agency shall notify the supreme court disciplinary
43 commission if the obligor is an attorney, or the professional standards
44 board if the obligor is a licensed teacher, that the obligor is delinquent.

45 (h) When the Title IV-D agency finds that an obligor who holds a
46 license issued under IC 4-31-6 or IC 4-33 has failed to:



1 (1) pay the obligor's child support arrearage in full;
 2 (2) establish a payment plan with the Title IV-D agency to pay the
 3 arrearage and request the activation of an income withholding
 4 order under IC 31-16-15-2; or
 5 (3) request a hearing under section 35 of this chapter;
 6 the Title IV-D agency shall issue an order to the Indiana horse racing
 7 commission if the obligor holds a license issued under IC 4-31-6, or to
 8 the Indiana gaming commission if the obligor holds a license issued
 9 under IC 4-33, stating that the obligor is delinquent and directing the
 10 commission to impose the appropriate sanctions described in
 11 IC 4-31-6-11 or IC 4-33-8.5-3.

12 (i) When the Title IV-D agency finds that an obligor who holds a
 13 license issued under IC 27-1-15.6, IC 27-1-15.8, or IC 27-10-3 has
 14 failed to:

15 (1) pay the obligor's child support arrearage in full;
 16 (2) establish a payment plan with the Title IV-D agency to pay the
 17 arrearage and request the activation of an income withholding
 18 order under IC 31-16-15-2; or
 19 (3) request a hearing under section 35 of this chapter;

20 the Title IV-D agency shall issue an order to the commissioner of the
 21 department of insurance stating that the obligor is delinquent and
 22 directing the commissioner to impose the appropriate sanctions
 23 described in IC 27-1-15.6-29 or IC 27-10-3-20.

24 (j) When the Title IV-D agency finds that an obligor who holds a
 25 license issued by the department of natural resources under
 26 IC 14-22-12, IC 14-22-14, IC 14-22-16, IC 14-22-17, IC 14-22-19,
 27 IC 14-24-7, or IC 14-31-3 has failed to:

28 (1) pay the obligor's child support arrearage in full;
 29 (2) establish a payment plan with the Title IV-D agency to pay the
 30 arrearage and request the activation of an income withholding
 31 order under IC 31-16-15-2; or
 32 (3) request a hearing under section 35 of this chapter;

33 the Title IV-D agency shall issue an order to the director of the
 34 department of natural resources stating that the obligor is delinquent
 35 and directing the director to suspend or revoke a license issued to the
 36 obligor by the department of natural resources as provided in
 37 IC 14-11-3.

38 SECTION 86. IC 12-17-12-6 IS AMENDED TO READ AS
 39 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6. As used in this
 40 chapter, "school corporation" has the meaning set forth in
 41 ~~IC 20-8-1-1-1. IC 20-18-1[??].~~

42 SECTION 87. IC 12-17-15-16 IS AMENDED TO READ AS
 43 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 16. (a) To the extent
 44 that the services are appropriate, the council shall advise and assist the
 45 department of education regarding the transition of toddlers with
 46 disabilities to preschool special education services under ~~IC 20-1-6.~~



1 **IC 20-35.**

2 (b) The council may advise and assist the division and the
3 department of education regarding the provision of appropriate services
4 for children who are five (5) years of age or younger.

5 SECTION 88. IC 12-17.2-2-1.5 IS AMENDED TO READ AS
6 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1.5. (a) The division
7 shall require all child care centers or child care homes to submit a
8 report containing the names and birth dates of all children who are
9 enrolled in the child care center or child care home within three (3)
10 months from the date the child care center or child care home accepts
11 its first child, upon receiving the consent of the child's parent, guardian,
12 or custodian as required under subsection (b). The division shall
13 require all child care centers and child care homes that receive written
14 consent as described under subsection (b) to submit a monthly report
15 of the name and birth date of each additional child who has been
16 enrolled in or withdrawn from the child care center or child care home
17 during the preceding thirty (30) days.

18 (b) The division shall require all child care centers or child care
19 homes to request whether the child's parent, guardian, or custodian
20 desires the center or home to include the child's name and birth date in
21 the reports described under subsection (a) before enrolling the child in
22 the center or home. No child's name or birth date may be included on
23 the report required under subsection (a) without the signed consent of
24 the child's parent, guardian, or custodian. The consent form must be in
25 the following form:

26 "I give my permission for _____ (name of day
27 care center or home) to report the name and birth date of my child
28 or children to the division of family and children pursuant to
29 IC 12-17.2-2-1.5.
30 Name of child _____
31 Birth date _____
32 Signature of parent, guardian, or custodian
33 _____
34 Date _____"

35 (c) The division shall submit a monthly report of the information
36 provided under subsection (a) to the Indiana clearinghouse on missing
37 children established under IC 10-13-5.

38 (d) The division shall require that a person who transports children
39 who are in the care of the child care center on a public highway (as
40 defined in IC 9-25-2-4) within or outside Indiana in a vehicle designed
41 and constructed for the accommodation of more than ten (10)
42 passengers must comply with the same requirements set forth in
43 ~~IC 20-9-1-5-6.6~~ **IC 20-27-9-12** for a public elementary or secondary
44 school or a preschool operated by a school corporation.

45 SECTION 89. IC 12-17.2-2-8 IS AMENDED TO READ AS
46 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 8. The division shall



- 1 exempt from licensure the following programs:
- 2 (1) A program for children enrolled in grades kindergarten
- 3 through 12 that is operated by the department of education or a
- 4 public or private school.
- 5 (2) A program for children who become at least three (3) years of
- 6 age as of December 1 of a particular school year (as defined in
- 7 ~~IC 20-10.1-2-1~~ **IC 20-30-2**) that is operated by the department of
- 8 education or a public or private school.
- 9 (3) A nonresidential program for a child that provides child care
- 10 for less than four (4) hours a day.
- 11 (4) A recreation program for children that operates for not more
- 12 than ninety (90) days in a calendar year.
- 13 (5) A program whose primary purpose is to provide social,
- 14 recreational, or religious activities for school age children, such
- 15 as scouting, boys club, girls club, sports, or the arts.
- 16 (6) A program operated to serve migrant children that:
- 17 (A) provides services for children from migrant worker
- 18 families; and
- 19 (B) is operated during a single period of less than one hundred
- 20 twenty (120) consecutive days during a calendar year.
- 21 (7) A child care ministry registered under IC 12-17.2-6.
- 22 (8) A child care home if the provider:
- 23 (A) does not receive regular compensation;
- 24 (B) cares only for children who are related to the provider;
- 25 (C) cares for less than six (6) children, not including children
- 26 for whom the provider is a parent, stepparent, guardian,
- 27 custodian, or other relative; or
- 28 (D) operates to serve migrant children.
- 29 (9) A child care program operated by a public or private
- 30 secondary school that:
- 31 (A) provides day care on the school premises for children of a
- 32 student or an employee of the school;
- 33 (B) complies with health, safety, and sanitation standards as
- 34 determined by the division under section 4 of this chapter for
- 35 child care centers or in accordance with a variance or waiver
- 36 of a rule governing child care centers approved by the division
- 37 under section 10 of this chapter; and
- 38 (C) substantially complies with the fire and life safety rules as
- 39 determined by the state fire marshal under rules adopted by the
- 40 division under section 4 of this chapter for child care centers
- 41 or in accordance with a variance or waiver of a rule governing
- 42 child care centers approved by the division under section 10 of
- 43 this chapter.
- 44 (10) A school age child care program (commonly referred to as a
- 45 latch key program) established under ~~IC 20-5-2-1.5~~ **IC 20-26-5-2**
- 46 that is operated by:



- 1 (A) the department of education;
 2 (B) a public or private school; or
 3 (C) a public or private organization under a written contract
 4 with:
 5 (i) the department of education; or
 6 (ii) a public or private school.

7 SECTION 90. IC 12-19-7-1 IS AMENDED TO READ AS
 8 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. As used in this
 9 chapter, "child services" means the following:

- 10 (1) Child welfare services specifically provided for children who
 11 are:
 12 (A) adjudicated to be:
 13 (i) children in need of services; or
 14 (ii) delinquent children; or
 15 (B) recipients of or are eligible for:
 16 (i) informal adjustments;
 17 (ii) service referral agreements; and
 18 (iii) adoption assistance;

19 including the costs of using an institution or facility in Indiana for
 20 providing educational services as described in either
 21 ~~IC 20-8.1-3-36~~ IC 20-33-2-29 (if applicable) or ~~IC 20-8.1-6.1-8~~
 22 IC 20-33-4-16 [QUERY: IC 20-8.1-6.1-8 IS ALSO IN
 23 ic 20-26-11-6. WHICH IS THE BETTER PLACEMENT?] (if
 24 applicable), all services required to be paid by a county under
 25 IC 31-40-1-2, and all costs required to be paid by a county under
 26 ~~IC 20-8.1-6.1-7~~ IC 20-33-6-14.

27 (2) Assistance awarded by a county to a destitute child under
 28 IC 12-17-1.

29 (3) Child welfare services as described in IC 12-17-3.

30 SECTION 91. IC 12-20-11-3 IS AMENDED TO READ AS
 31 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. (a) If a ~~poor relief~~
 32 **township assistance** recipient, after referral by the township trustee,
 33 is accepted and attends adult education courses under ~~IC 20-10.1-7-1~~
 34 IC 20-30-6-1 or courses at Ivy Tech State College established by
 35 IC 20-12-61, the ~~poor relief township assistance~~ recipient is exempt
 36 from performing work or searching for work for not more than one
 37 hundred eighty (180) days.

38 (b) The township trustee may reimburse a ~~poor relief township~~
 39 **assistance** recipient for tuition expenses incurred in attending the
 40 courses described in subsection (a) if the recipient:

- 41 (1) has a proven aptitude for the courses being studied;
 42 (2) was referred by the trustee;
 43 (3) does not qualify for other tax supported educational programs;
 44 (4) maintains a passing grade in each course; and
 45 (5) maintains the minimum attendance requirements specified by
 46 the educational institution.



1 SECTION 92. IC 12-21-2-3 IS AMENDED TO READ AS
2 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. (a) In addition to the
3 general authority granted to the director under IC 12-8-8, the director
4 shall do the following:

5 (1) Organize the division, create the appropriate personnel
6 positions, and employ personnel necessary to discharge the
7 statutory duties and powers of the division or a bureau of the
8 division.

9 (2) Subject to the approval of the state personnel department,
10 establish personnel qualifications for all deputy directors,
11 assistant directors, bureau heads, and superintendents.

12 (3) Subject to the approval of the budget director and the
13 governor, establish the compensation of all deputy directors,
14 assistant directors, bureau heads, and superintendents.

15 (4) Study the entire problem of mental health, mental illness, and
16 addictions existing in Indiana.

17 (5) Adopt rules under IC 4-22-2 for the following:

18 (A) Standards for the operation of private institutions that are
19 licensed under IC 12-25 for the diagnosis, treatment, and care
20 of individuals with psychiatric disorders, addictions, or other
21 abnormal mental conditions.

22 (B) Licensing supervised group living facilities described in
23 IC 12-22-2-3 for individuals who are mentally ill.

24 (C) Certifying community residential programs described in
25 IC 12-22-2-3 for individuals who are mentally ill.

26 (D) Certifying community mental health centers to operate in
27 Indiana.

28 (E) Establish exclusive geographic primary service areas for
29 community mental health centers. The rules must include the
30 following:

31 (i) Criteria and procedures to justify the change to the
32 boundaries of a community mental health center's primary
33 service area.

34 (ii) Criteria and procedures to justify the change of an
35 assignment of a community mental health center to a
36 primary service area.

37 (iii) A provision specifying that the criteria and procedures
38 determined in items (i) and (ii) must include an option for
39 the county and the community mental health center to
40 initiate a request for a change in primary service area or
41 provider assignment.

42 (iv) A provision specifying the criteria and procedures
43 determined in items (i) and (ii) may not limit an eligible
44 consumer's right to choose or access the services of any
45 provider who is certified by the division of mental health
46 and addiction to provide public supported mental health



- 1 services.
- 2 (6) Institute programs, in conjunction with an accredited college
3 or university and with the approval, if required by law, of the
4 commission for higher education under IC 20-12-0.5, for the
5 instruction of students of mental health and other related
6 occupations. The programs may be designed to meet requirements
7 for undergraduate and postgraduate degrees and to provide
8 continuing education and research.
- 9 (7) Develop programs to educate the public in regard to the
10 prevention, diagnosis, treatment, and care of all abnormal mental
11 conditions.
- 12 (8) Make the facilities of the Larue D. Carter Memorial Hospital
13 available for the instruction of medical students, student nurses,
14 interns, and resident physicians under the supervision of the
15 faculty of the Indiana University School of Medicine for use by
16 the school in connection with research and instruction in
17 psychiatric disorders.
- 18 (9) Institute a stipend program designed to improve the quality
19 and quantity of staff that state institutions employ.
- 20 (10) Establish, supervise, and conduct community programs,
21 either directly or by contract, for the diagnosis, treatment, and
22 prevention of psychiatric disorders.
- 23 (11) Adopt rules under IC 4-22-2 concerning the records and data
24 to be kept concerning individuals admitted to state institutions,
25 community mental health centers, or managed care providers.
- 26 (12) Establish, maintain, and reallocate before July 1, 1996,
27 one-third (1/3), and before January 1, 1998, the remaining
28 two-thirds (2/3) of the following:
- 29 (A) long term care service settings; and
- 30 (B) state operated long term care inpatient beds;
31 designed to provide services for patients with long term
32 psychiatric disorders as determined by the quadrennial actuarial
33 study under IC 12-21-5-1.5(9). A proportional number of long
34 term care service settings and inpatient beds must be located in an
35 area that includes a consolidated city and its adjacent counties.
- 36 (13) Compile information and statistics concerning the ethnicity
37 and gender of a program or service recipient.
- 38 (14) Establish standards for each element of the continuum of
39 care for community mental health centers and managed care
40 providers.
- 41 (b) As used in this section, "long term care service setting" means
42 the following:
- 43 (1) The anticipated duration of the patient's mental health setting
44 is more than twelve (12) months.
- 45 (2) Twenty-four (24) hour supervision of the patient is available.
- 46 (3) A patient in the long term care service setting receives:



- 1 (A) active treatment if appropriate for a patient with a chronic
 2 and persistent mental disorder or chronic addictive disorder;
 3 (B) case management services from a state approved provider;
 4 and
 5 (C) maintenance of care under the direction of a physician.
 6 (4) Crisis care is available.

7 (c) Funding for services under subsection (a)(12) shall be provided
 8 by the division through the reallocation of existing appropriations. The
 9 need of the patients is a priority for services. The division shall adopt
 10 rules to implement subsection (a)(12) before July 1, 1995.

11 SECTION 93. IC 12-21-5-3 IS AMENDED TO READ AS
 12 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. ~~IC 20-1-6-2.1~~
 13 **IC 20-35-2-1** applies to the operation of each education program for
 14 **children students** with disabilities (as defined in ~~IC 20-1-6-1~~)
 15 **IC 20-18-2-[??]**) conducted by a state owned and operated mental
 16 health institution or furnished under an agreement with the division.

17 SECTION 94. IC 12-24-13-5 IS AMENDED TO READ AS
 18 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. (a) Whenever
 19 placement of a ~~child~~ **student** with a disability (as defined in
 20 ~~IC 20-1-6-1~~) **IC 20-18-2-[??]**) in a state institution is necessary for the
 21 provision of special education for that child, the cost of the child's
 22 education program, nonmedical care, and room and board shall be paid
 23 by the division rather than by the child's parents, guardian, or other
 24 responsible party.

25 (b) The child's parents, guardian, or other responsible party shall pay
 26 the cost of any transportation not required by the child's individualized
 27 education program (as defined in ~~IC 20-1-6-1~~) **IC 20-18-2-[??]**). The
 28 school corporation in which the child has legal settlement (as
 29 determined by IC 20-8.1-6.1-1) shall pay the cost of transportation
 30 required by the student's individualized education program under
 31 IC 20-1-6-18.2. However, this section does not relieve an insurer or
 32 other third party from an otherwise valid obligation to provide or pay
 33 for the services provided to the child.

34 (c) The Indiana state board of education and the divisions shall
 35 jointly establish a procedure and standards for determining when
 36 placement in a state institution is necessary for the provision of special
 37 education for a child.

38 SECTION 95. IC 13-11-2-142.6 IS AMENDED TO READ AS
 39 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 142.6. "Non-public
 40 school", for purposes of IC 13-20-17.5, has the meaning set forth in
 41 ~~IC 20-10-1-1-3~~ **IC 20-18-2-[??]**.

42 SECTION 96. IC 13-11-2-176.5 IS AMENDED TO READ AS
 43 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 176.5. "Public school",
 44 for purposes of IC 13-20-17.5, has the meaning set forth in
 45 ~~IC 20-10-1-1-2~~ **IC 20-18-2-[??]**.

46 SECTION 97. IC 14-21-1-13.5 IS AMENDED TO READ AS



1 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 13.5. (a) The division
 2 may conduct a program to survey and register in a registry of Indiana
 3 cemeteries and burial grounds that the division establishes and
 4 maintains all cemeteries and burial grounds in each county in Indiana.
 5 The division may conduct the program alone or by entering into an
 6 agreement with one (1) or more of the following entities:

- 7 (1) The Indiana Historical Society established under IC 23-6-3.
 8 (2) A historical society as defined in ~~IC 20-5-17.5-1(a)~~
 9 **IC 36-10-13-1**.
 10 (3) The Historic Landmarks Foundation of Indiana.
 11 (4) A professional archeologist or historian associated with a
 12 college or university.
 13 (5) A township trustee.
 14 (6) Any other entity that the division selects.

15 (b) In conducting a program under subsection (a), the division may
 16 receive gifts and grants under terms, obligations, and liabilities that the
 17 director considers appropriate. The director shall use a gift or grant
 18 received under this subsection:

- 19 (1) to carry out subsection (a); and
 20 (2) according to the terms of the gift or grant.

21 (c) At the request of the director, the auditor of state shall establish
 22 a trust fund for purposes of holding money received under subsection
 23 (b).

24 (d) The director shall administer a trust fund established by
 25 subsection (c). The expenses of administering the trust fund shall be
 26 paid from money in the trust fund.

27 (e) The treasurer of state shall invest the money in the trust fund
 28 established by subsection (c) that is not currently needed to meet the
 29 obligations of the trust fund in the same manner as other public trust
 30 funds may be invested. The treasurer of state shall deposit in the trust
 31 fund the interest that accrues from the investment of the trust fund.

32 (f) Money in the trust fund at the end of a state fiscal year does not
 33 revert to the state general fund.

34 (g) Nothing in this section may be construed to authorize violation
 35 of the confidentiality of information requirements of 16 U.S.C. 470(w)
 36 and 16 U.S.C. 470(h)(h).

37 (h) The division may record in each county recorder's office the
 38 location of each cemetery and burial ground located in that county.

39 SECTION 98. IC 16-33-3-4 IS AMENDED TO READ AS
 40 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. The state department
 41 shall administer the center. The state health commissioner, subject to
 42 ~~IC 20-1-6-2-1~~, **IC 20-35-2-1**, has complete administrative control and
 43 responsibility for the center.

44 SECTION 99. IC 16-33-3-8 IS AMENDED TO READ AS
 45 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 8. Subject to the review
 46 and approval of the department of education and the state health



1 commissioner or the commissioner's designee, the director of the center
 2 shall receive as clients in the center children with multiple disabilities
 3 who meet the following conditions:

4 (1) Are expected to benefit from residence in the center as part of
 5 an individualized education program (as defined in
 6 ~~IC 20-1-6-1(5)~~; **IC 20-18-2-[??]**);

7 (2) Are residents of Indiana.

8 (3) Possess at least two (2) major disabling conditions.

9 (4) Are less than twenty-two (22) years of age.

10 (5) Whose admissions have been approved by the department of
 11 education in accordance with the procedures implementing
 12 ~~IC 20-1-6-19~~; **IC 20-35-6-19**.

13 SECTION 100. IC 16-33-3-9 IS AMENDED TO READ AS
 14 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 9. (a) The center shall
 15 provide tuition, board, room, laundry, and ordinary medical attention,
 16 including emergencies.

17 (b) The parents, guardian, or other persons shall provide medical,
 18 optical, and dental care involving special medication or prostheses.

19 (c) When a client is properly admitted to the center, the client's
 20 parents, guardian, responsible relative, or other person shall suitably
 21 provide the client with clothing at the time of the client's entrance into
 22 the center and during the client's stay at the center.

23 (d) The client's parent or guardian shall bear the cost of
 24 transportation not required by the client's individualized education
 25 program (as defined by ~~IC 20-1-6-1~~; **IC 20-18-2-[??]**). The school
 26 corporation in which the client has legal settlement shall bear the cost
 27 of transportation required by the client's individualized education
 28 program under ~~IC 20-1-6-18.2~~; **IC 20-35-8-18.2**.

29 (e) The client's parents, guardian, or responsible relative or other
 30 person shall provide incidental expense money needed by the client.

31 SECTION 101. IC 16-33-4-11 IS AMENDED TO READ AS
 32 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 11. (a) After an
 33 adequate investigation as determined by the superintendent of the home
 34 or the superintendent's designee, including consideration of
 35 appropriateness of placement, and with the approval of the state health
 36 commissioner or the commissioner's designee, the superintendent of
 37 the home shall receive as a resident in the home a child if the child
 38 meets the requirements under subsection (b).

39 (b) Before the child may be received as a resident in the home under
 40 subsection (a) the child must meet the following requirements:

41 (1) The parent or parents of the child are Indiana residents
 42 immediately before application or the child is physically present
 43 in Indiana immediately before application.

44 (2) The child is at least three (3) years of age but less than
 45 eighteen (18) years of age.

46 (3) The child is in need of residential care and education.



1 (c) If the applications of all children of members of the armed forces
 2 have been considered and space is available, the superintendent of the
 3 home may, if a child meets the requirements under subsection (b),
 4 receive as residents in the home the:

- 5 (1) grandchildren;
- 6 (2) stepchildren;
- 7 (3) brothers;
- 8 (4) sisters;
- 9 (5) nephews; and
- 10 (6) nieces;

11 of members of the armed forces who are in need of residential care and
 12 education.

13 (d) If the applications of all children eligible for residence under
 14 subsections (a) through (c) have been considered and if space is
 15 available, the superintendent may accept for residence children
 16 referred:

- 17 (1) by the division of family and children established by
 18 IC 12-13-1-1; or
- 19 (2) by the division of special education established by
 20 ~~IC 20-1-6-2.1~~; **IC 20-35-2-1**;

21 subject to an adequate investigation as determined by the
 22 superintendent of the home or the superintendent's designee, including
 23 a consideration of appropriateness of placement, and the approval of
 24 the state health commissioner or the commissioner's designee.

25 SECTION 102. IC 16-35-2-8 IS AMENDED TO READ AS
 26 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 8. If an individual
 27 receives a state or federal higher education award that is paid directly
 28 to an approved institution of higher learning (as defined in
 29 IC 20-12-21-3) for the individual's benefit:

- 30 (1) the individual is not required to report that award as income
 31 or as a resource of the individual when applying for assistance for
 32 a destitute child under this chapter; and
- 33 (2) the award shall not be considered as income or a resource of
 34 the individual in determining initial or continuing eligibility for
 35 assistance under this chapter.

36 SECTION 103. IC 16-41-37-2 IS AMENDED TO READ AS
 37 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. As used in this
 38 chapter, "public building" means an enclosed structure or the part of an
 39 enclosed structure that is one (1) of the following:

- 40 (1) Occupied by an agency of state or local government.
- 41 (2) Used as a classroom building or a dining area at a state
 42 educational institution (as defined in IC 20-12-0.5-1).
- 43 (3) Used as a public school (as defined in ~~IC 20-10-1-1-2~~);
 44 **IC 20-18-2-[??]**).
- 45 (4) Licensed as a health facility under IC 16-21 or IC 16-28.
- 46 (5) Used as a station for paid firefighters.



1 (6) Used as a station for paid police officers.

2 (7) Licensed as a child care center or child care home or
3 registered as a child care ministry under IC 12-17.2.

4 (8) Licensed as a hospital under IC 16-21 or a county hospital
5 subject to IC 16-22.

6 (9) Used as a provider's office.

7 SECTION 104. IC 16-47-1-2 IS AMENDED TO READ AS
8 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. As used in this
9 chapter, "health benefit plan" refers to the following:

10 (1) An accident and sickness insurance policy purchased or
11 maintained under IC 5-10-8-7(a)(3).

12 (2) A self-insurance program established under IC 5-10-8-7(b) to
13 provide group health coverage.

14 (3) A contract with a prepaid health care delivery plan that is
15 entered into or renewed under IC 5-10-8-7(c).

16 (4) A plan through which a state educational institution (as
17 defined in IC 20-12-0.5-1) arranges for coverage of the cost of
18 health care services (as defined in IC 27-13-1-18) provided to
19 employees of the state educational institution.

20 SECTION 105. IC 21-1-3-1 IS AMENDED TO READ AS
21 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. On and after
22 November 3, 1943, the treasurer of state shall be the exclusive
23 custodian of the common school fund and the Indiana University
24 permanent endowment fund not held in trust by the several counties.
25 On and after November 3, 1943, the county council of the several
26 counties of the state be and they are hereby authorized by a resolution
27 duly adopted to elect to accept the provisions of this chapter to
28 surrender the custody of the common school fund and the Indiana
29 University permanent endowment fund and to order and direct that the
30 board of county commissioners, the county auditor, and the county
31 treasurer take any and all steps necessary to surrender the custody of
32 said funds held in trust by the county and the amount of such funds
33 distributed to and held in trust by any such county before November 3,
34 1943, shall be due and payable to the treasurer of state in the manner
35 provided in this title and IC 20. Provided, however, that at any time, as
36 long as this chapter shall be in full force and effect, the county council
37 of the several counties of the state be and they are hereby authorized to
38 elect and determine whether the county shall surrender all or any part
39 of said funds. Said funds, if any, so retained in the custody of the
40 county shall be loaned as otherwise provided by law. Provided, further,
41 that any part of said funds less than the whole so surrendered by the
42 county shall be paid to the treasurer of state immediately after such
43 election by the county council. The state board of finance shall have
44 full and complete management and control of such funds and is hereby
45 authorized and directed to invest the common school funds and the
46 Indiana University permanent endowment funds as provided in this title



1 and IC 20.

2 SECTION 106. IC 21-1-4-1 IS AMENDED TO READ AS
 3 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. (a) It is the duty of
 4 the general assembly under the Constitution of the State of Indiana to
 5 encourage by all suitable means moral, intellectual, scientific, and
 6 agricultural improvement and to provide, by law, for a general and
 7 uniform system of common schools, wherein tuition shall be without
 8 charge, and equally open to all.

9 (b) It is the intent of the general assembly that:

10 (1) the common school fund should be used to:

11 (A) assist school corporations and school townships in
 12 financing their school building construction and educational
 13 technology programs; and

14 (B) assist charter schools in financing their operations;
 15 as authorized by law and under circumstances such that the
 16 principal of the fund remains inviolate;

17 (2) to the end described in subdivision (1), the common school
 18 fund may be used to make advances to:

19 (A) school corporations and school townships under
 20 IC 21-1-5; and

21 (B) charter schools under ~~IC 20-5.5-7-3.5(f)~~ **IC 20-24-7-3(f)**
 22 and ~~IC 20-5.5-7.5~~; **IC 21-1-33**; and

23 (3) this chapter is in furtherance of the duties which are imposed
 24 exclusively upon the general assembly by the Constitution of the
 25 State of Indiana in connection with the maintenance of a general
 26 and uniform system of common schools and the investment and
 27 reinvestment of the common school fund and shall be liberally
 28 construed to carry out the purposes of the Constitution of the State
 29 of Indiana.

30 (c) In addition, the common school fund may be used to make
 31 advances under IC 21-1-5.1.

32 SECTION 107. IC 21-1-4-2 IS AMENDED TO READ AS
 33 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. The administration
 34 of the common school fund and the responsibility for carrying out and
 35 making effective this chapter are vested in the Indiana state board of
 36 education created by ~~IC 20-1-1~~; **IC 20-19-2-8**. **[QUERY: OR SEC. 2]**

37 SECTION 108. IC 21-1-5-1 IS AMENDED TO READ AS
 38 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. This chapter applies
 39 to school corporations organized and formed through reorganization
 40 under ~~IC 20-4-1~~, ~~IC 20-4-5~~; **IC 20-23-4**, **IC 20-23-6**, or ~~IC 20-4-8~~
 41 **IC 20-23-7** and school townships under ~~IC 20-2-8~~; **IC 20-23-3**.
 42 However, if a school corporation or school township sustains loss by
 43 fire, wind, cyclone, or other disaster, of all or a major portion of its
 44 school building or school buildings, sections 4 and 9 of this chapter do
 45 not apply.

46 SECTION 109. IC 21-1-5.1-1 IS AMENDED TO READ AS



1 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. Unless otherwise
 2 provided, as used in this chapter, "school corporation" has the meaning
 3 set forth in ~~IC 20-10-1-1-1~~ **IC 20-18-2-[??]**.

4 SECTION 110. IC 21-1-5.1-2 IS AMENDED TO READ AS
 5 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. To assist a school
 6 corporation in providing the school corporation's educational program
 7 to a student placed in a facility or home as described in
 8 ~~IC 20-8.1-6.1-5(a)~~ **IC 20-33-4-8(a)** or ~~IC 20-8.1-6.1-5(b)~~
 9 **IC 20-33-4-8(b)** and not later than October 1 of each school year, the
 10 Indiana state board of education may advance money from the common
 11 school fund to a school corporation in anticipation of the school
 12 corporation's receipt of transfer tuition for students described in
 13 ~~IC 20-8.1-6.1-5(a)~~ **IC 20-33-4-8(a)** or ~~IC 20-8.1-6.1-5(b)~~
 14 **IC 20-33-4-8(b)** in an amount not to exceed the STEP TWO amount
 15 of the following formula:

16 STEP ONE: Estimate for the current school year the number of
 17 students described in ~~IC 20-8.1-6.1-5(a)~~ **IC 20-33-4-8(a)** or
 18 ~~IC 20-8.1-6.1-5(b)~~ **IC 20-33-4-8(b)** that are transferred to the
 19 school corporation.

20 STEP TWO: Multiply the STEP ONE amount by the school
 21 corporation's prior year per student transfer tuition amount.

22 **[QUERY: IC 20-8.1-6.1-5 IS ALSO IN IC 20-26-11-5.**
 23 **WHICH IS THE BETTER PLACEMENT?]**

24 SECTION 111. IC 21-1-5.1-4 IS AMENDED TO READ AS
 25 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. A school corporation
 26 receiving an advancement under this chapter shall notify the school
 27 corporation or auditor of state from which the school corporation
 28 receives transfer tuition under ~~IC 20-8.1-6.1~~ **IC 20-33-4** for students
 29 described in ~~IC 20-8.1-6.1-5(a)~~ **IC 20-33-4-8(a)** or ~~IC 20-8.1-6.1-5(b)~~
 30 **IC 20-33-4-8(b)** of the amount of interest withheld under section 3 of
 31 this chapter. The school corporation or auditor of state shall reimburse
 32 the school corporation for the interest expense at the same time the
 33 transfer tuition is paid. **[QUERY: IC 20-8.1-6.1-5 IS ALSO IN**
 34 **IC 20-26-11-5. WHICH IS THE BETTER PLACEMENT?]**

35 SECTION 112. IC 21-1-5.1-5 IS AMENDED TO READ AS
 36 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. (a) A school
 37 corporation's obligation to repay the advancement may not be
 38 construed to be diminished or otherwise affected if the school
 39 corporation in which the student has legal settlement fails to pay the
 40 transfer tuition as required under ~~IC 20-8.1-6.1~~ **IC 20-33-4** to the
 41 transferee school corporation in a timely manner.

42 (b) An advancement from the common school fund may not be
 43 construed to be an obligation of the school corporation within the
 44 meaning of the limitation against indebtedness under the Constitution
 45 of the State of Indiana.

46 SECTION 113. IC 21-1-11-1 IS AMENDED TO READ AS



1 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. There is created a
 2 fund to be known as the veterans memorial school construction fund.
 3 The administrative control of the fund and the responsibility for
 4 carrying out and making effective the provisions of this chapter are
 5 vested in the Indiana state board of education established by
 6 ~~IC 20-1-1-1~~ IC 20-19-2-1. The superintendent of public instruction
 7 shall, from funds appropriated for administering this chapter, provide
 8 office space and employees to enable the state board of education to
 9 perform the duties required of it by this chapter. The state board of
 10 education shall have the power to make rules necessary for the proper
 11 administration of the fund and for carrying out the provisions of this
 12 chapter.

13 SECTION 114. IC 21-1-11-3.1 IS AMENDED TO READ AS
 14 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3.1. (a) The state board
 15 of education may make a disaster loan to a school corporation that has
 16 suffered loss by fire, flood, tornado, wind, or other disaster which
 17 makes all or part of the school building or buildings unfit for school
 18 purposes as defined in ~~IC 20-5-44~~ IC 20-26-7-[[?]].

19 (b) A loan made under this section may not exceed three million
 20 dollars (\$3,000,000). The school corporation shall repay the loan
 21 within twenty (20) years at an annual interest rate of one percent (1%)
 22 of the unpaid balance.

23 (c) The amounts repaid by school corporations under subsection (b)
 24 of this section shall be deposited in a special fund to be known as the
 25 "school disaster loan fund". The money remaining in the school disaster
 26 loan fund at the end of a fiscal year does not revert to the state general
 27 fund. The state board of education may use the money in the school
 28 disaster loan fund only to make disaster loans to school corporations
 29 under this section.

30 (d) The provisions of sections 5, 6, and 7 of this chapter do not
 31 apply to loans made under this section.

32 SECTION 115. IC 21-1-11-5 IS AMENDED TO READ AS
 33 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. The state board of
 34 education shall compute and ascribe to such applicant school or school
 35 corporation a school building index, which shall be the ratio of the
 36 school building need, in terms of money, to the school corporation tax
 37 ability, in terms of money, both as defined in this section as follows:

38 (a) The school building need, in terms of money, of a school or
 39 school corporation shall be determined by adding to the average
 40 daily attendance of school children in grades one (1) through
 41 twelve (12) of such school or school corporation during the
 42 current school year in which application for an advancement is
 43 made, twice the average daily attendance increase of said school
 44 or school corporation for the preceding three (3) years. However,
 45 the state board of education shall have authority to make
 46 adjustments to reflect the effect of changes of boundary lines, loss



1 of transfer pupils, or loss of resident pupils to private, parochial,
 2 or cooperative program schools within such three (3) year period.
 3 The sum so obtained shall then be divided by twenty-five (25)
 4 to determine the number of classrooms needed to house the
 5 estimated enrollment increase. From the quotient so obtained
 6 there shall be subtracted the number of classrooms which are
 7 owned, or under a lease-rental arrangement, or under construction
 8 in said school corporation and which were constructed for and
 9 normally used for classroom purposes, at the time of making
 10 application for an advancement. However, there shall not be
 11 subtracted classrooms in a building or buildings found to be
 12 inadequate for the proper education of pupils under standards and
 13 procedures prescribed by the Indiana state board of education, or
 14 which have been condemned under the provisions of ~~IC 20-5-44~~
 15 **IC 20-26-7-[[?]]** and which are to be replaced by funds applied
 16 for. The remainder so obtained shall be multiplied by the amount
 17 of twenty thousand dollars (\$20,000), and the product thereof
 18 shall be the school building need of such school or school
 19 corporation in the terms of money.

20 (b) The school corporation tax ability, in terms of money, shall be
 21 six and one-half percent (6 1/2%) of the adjusted value of taxable
 22 property within a school corporation as determined under
 23 IC 36-1-15 for state and county taxes immediately preceding the
 24 date of application, minus the principal amount of any
 25 outstanding general obligation bonds of such school or school
 26 corporation, and minus the principal amount of outstanding
 27 obligations of any corporation or holding company which has
 28 entered into a lease-rental agreement with the applicant school
 29 corporation, and minus the principal amount of outstanding civil
 30 township, town, or city school building bonds.

31 (c) If the school corporation tax ability of any school corporation
 32 as computed under subdivision (b) is less than one hundred
 33 dollars (\$100), the school corporation tax ability shall be deemed
 34 to be and shall be considered for the purposes of this chapter as
 35 being in the amount of one hundred dollars (\$100).

36 SECTION 116. IC 21-2-4-2 IS AMENDED TO READ AS
 37 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. The governing body
 38 of each school corporation in Indiana shall establish a debt service fund
 39 for the payment of:

- 40 (1) all debt and other obligations arising out of funds borrowed or
 41 advanced for school buildings when purchased from the proceeds
 42 of a bond issue for capital construction;
- 43 (2) a lease to provide capital construction;
- 44 (3) interest on emergency and temporary loans;
- 45 (4) all debt and other obligations arising out of funds borrowed or
 46 advanced for the purchase or lease of school buses when



1 purchased or leased from the proceeds of a bond issue, or from
 2 money obtained from a loan made under ~~IC 20-9-1-6-5~~,
 3 **IC 20-27-4-5**, for that purpose;

4 (5) all debt and other obligations arising out of funds borrowed to
 5 pay judgments against the school corporation; or

6 (6) all debt and other obligations arising out of funds borrowed to
 7 purchase equipment.

8 The term "debt service" shall include but not be limited to lease rental
 9 obligations, school bonds and coupons and civil bond obligations
 10 assumed by school corporations reorganized pursuant to ~~IC 20-4-1~~,
 11 **IC 20-23-4**, and any interest cost on emergency and temporary loans
 12 but shall not include the repayment of the principal of the emergency
 13 and temporary loans obtained for benefit of any other fund. All receipts
 14 and disbursements authorized by law for school funds and tax levies for
 15 the lease rental fund, bond fund, sinking fund, civil bond obligation
 16 fund, and payment of interest on emergency and temporary loans shall
 17 be received in and disbursed from the debt service fund.

18 SECTION 117. IC 21-2-5.6-2 IS AMENDED TO READ AS
 19 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. The self-insurance
 20 fund may be used to provide monies for the following purposes:

21 (1) the payment of any judgment rendered against the school
 22 corporation, or rendered against any officer or employee of the
 23 school corporation for which the school corporation is liable
 24 under IC 34-13-2, IC 34-13-3, or IC 34-13-4 (or IC 34-4-16.5,
 25 IC 34-4-16.6, or IC 34-4-16.7 before their repeal);

26 (2) the payment of any claim or settlement for which the school
 27 corporation is liable pursuant to IC 34-13-2, IC 34-13-3, or
 28 IC 34-13-4 (or IC 34-4-16.5, IC 34-4-16.6, or IC 34-4-16.7 before
 29 their repeal);

30 (3) the payment of any premium, management fee, claim, or
 31 settlement for which the school corporation is liable pursuant to
 32 any federal or state statute including but not limited to payments
 33 pursuant to IC 22-3 and IC 22-4; or

34 (4) the payment of any settlement or claim for which insurance
 35 coverage is permitted under ~~IC 20-5-2-2(14)~~: **IC 20-26-5-2(16)**.

36 SECTION 118. IC 21-2-11-4 IS AMENDED TO READ AS
 37 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. (a) Any lawful
 38 school expenses payable from any other fund of the school corporation,
 39 including without limitation debt service and capital outlay, but
 40 excluding costs attributable to transportation (as defined in
 41 IC 21-2-11.5-2), may be budgeted in and paid from the general fund.
 42 However, after June 30, 2003, and before July 1, 2005, a school
 43 corporation may budget for and pay costs attributable to transportation
 44 (as defined in IC 21-2-11.5-2) from the general fund.

45 (b) In addition, remuneration for athletic coaches (whether or not
 46 they are otherwise employed by the school corporation and whether or



1 not they are licensed under ~~IC 20-6-1-3~~ **IC 20-28-4 or IC 20-28-5)**
 2 may be budgeted in and paid from the school corporation's general
 3 fund.

4 (c) During the period beginning July 1, 2003, and ending June 30,
 5 2005, the school corporation may transfer money in a fund maintained
 6 by the school corporation (other than the special education preschool
 7 fund (IC 21-2-17-1) or the school bus replacement fund (IC
 8 21-2-11.5-2)) that is obtained from:

9 (1) a source other than a state distribution or local property
 10 taxation; or

11 (2) a state distribution or a property tax levy that is required to be
 12 deposited in the fund;

13 to any other fund. A transfer under subdivision (2) may not be the sole
 14 basis for reducing the property tax levy for the fund from which the
 15 money is transferred or the fund to which money is transferred. Money
 16 transferred under this subsection may be used only to pay costs,
 17 including debt service, attributable to reductions in funding for
 18 transportation distributions under IC 21-3-3.1, including
 19 reimbursements associated with transportation costs for special
 20 education and vocational programs under IC 21-3-3.1-4, and ADA flat
 21 grants under IC 21-3-4.5. The property tax levy for a fund from which
 22 money was transferred may not be increased to replace the money
 23 transferred to another fund.

24 (d) The total amount transferred under subsection (c) may not
 25 exceed the following:

26 (1) For the period beginning July 1, 2003, and ending June 30,
 27 2004, the total amount of state funding received for transportation
 28 distributions under IC 21-3-3.1, including reimbursements
 29 associated with transportation costs for special education and
 30 vocational programs under IC 21-3-3.1-4, and ADA flat grants
 31 under IC 21-3-4.5 for the same period.

32 (2) For the period beginning July 1, 2004, and ending June 30,
 33 2005, the product of:

34 (A) the amount determined under subdivision (1); multiplied
 35 by

36 (B) two (2).

37 SECTION 119. IC 21-2-11.5-2 IS AMENDED TO READ AS
 38 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. (a) Each calendar
 39 year, the governing body of each school corporation shall establish a
 40 school transportation fund which shall be the exclusive fund used by
 41 the school corporation for the payment of costs attributable to
 42 transportation listed in subdivisions (1) through (7), as authorized
 43 under IC 20, of school children during the school year ending in the
 44 calendar year:

45 (1) The salaries paid bus drivers, transportation supervisors,
 46 mechanics and garage employees, clerks, and other



- 1 transportation-related employees.
 2 (2) Contracted transportation service, other than costs payable
 3 from the school bus replacement fund under subsection (e).
 4 (3) Wages of independent contractors.
 5 (4) Contracts with common carriers.
 6 (5) Pupil fares.
 7 (6) Transportation-related insurance.
 8 (7) Other expenses of operating the school corporation's
 9 transportation service, including gasoline, lubricants, tires,
 10 repairs, contracted repairs, parts, supplies, equipment, and other
 11 related expenses.

12 (b) The governing body of each school corporation shall establish
 13 a school bus replacement fund. The school bus replacement fund shall
 14 be the exclusive fund used to pay the following costs attributable to
 15 transportation:

- 16 (1) Amounts paid for the replacement of school buses, either
 17 through a purchase agreement or under a lease agreement.
 18 (2) The costs of contracted transportation service payable from
 19 the school bus replacement fund under subsection (e).

20 (c) Beginning January 1, 1996, portions, percentages, or parts of
 21 salaries of teaching personnel or principals are not attributable to
 22 transportation. However, parts of salaries of instructional aides who are
 23 assigned to assist with the school transportation program are
 24 attributable to transportation. The costs described in this subsection
 25 (other than instructional aide costs) may not be budgeted for payment
 26 or paid from the school transportation fund.

27 (d) Costs for a calendar year are those costs attributable to
 28 transportation for school children during the school year ending in the
 29 calendar year.

30 (e) Before the last Thursday in August in the year preceding the first
 31 school year in which a proposed contract commences, the governing
 32 body of a school corporation may elect to designate a portion of a
 33 transportation contract (as defined in ~~IC 20-9.1-1-8~~; **IC 20-27-2-12**),
 34 fleet contract (as defined in ~~IC 20-9.1-1-8.2~~; **IC 20-27-2-5**), or
 35 common carrier contract (as defined in ~~IC 20-9.1-1-9~~ **IC 20-27-2-3**)
 36 as an expenditure payable from the school bus replacement fund. An
 37 election under this section must be made in a transportation plan
 38 approved by the department of local government finance under section
 39 3.1 of this chapter. The election applies throughout the term of the
 40 contract. The amount that may be paid from the school bus replacement
 41 fund in a school year is equal to the fair market lease value in the
 42 school year of each school bus, school bus chassis, or school bus body
 43 used under the contract, as substantiated by invoices, depreciation
 44 schedules, and other documented information available to the school
 45 corporation. The allocation of costs under this subsection to the school
 46 bus replacement fund must comply with the allocation guidelines



1 adopted by the department of local government finance and the
2 accounting standards prescribed by the state board of accounts.

3 SECTION 120. IC 21-2-12-2 IS AMENDED TO READ AS
4 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. It is hereby declared
5 to be the policy of this chapter:

6 (a) That in certain areas in this state there exists a condition created
7 by the shift in population from urban centers to outlying areas which
8 has created administrative and financial problems in the maintenance
9 and operation of school systems in such areas, resulting in
10 maladjustment of taxable wealth in such areas for the levying of taxes
11 for the operation of the schools;

12 (b) That improvement in the administrative and financial structures
13 of the school corporations existing in such outlying areas to the urban
14 centers is essential for the establishment and maintenance of a general
15 uniform and efficient system of public schools to provide a more
16 equalized educational opportunity for public school pupils, the
17 achievement of greater equity in school tax rates among the inhabitants
18 of the various now existing school corporations in such areas, and the
19 provision for more use of the public funds expended for the support of
20 the public school system;

21 (c) That existing statutes with respect to the granting of financial
22 assistance on a county-wide basis, allowing a more favorable use of the
23 taxable wealth of the county for the support of the various school
24 districts within the county, are inadequate to effectuate the need for this
25 improvement in those areas described herein; and

26 (d) That modification in the present statutory provisions pertaining
27 to the levying of tax rates for school purposes for such areas as qualify
28 within the definitions in this chapter is essential to carry out the
29 purposes of ~~IC 20-4-1~~, **IC 20-23-4**, and to that end it is the intent of this
30 general assembly, by this chapter, to make provision for a more
31 satisfactory use of the taxable wealth of counties that qualify under this
32 chapter for the promotion, betterment, and improvement of their
33 educational systems.

34 SECTION 121. IC 21-2-13-2 IS AMENDED TO READ AS
35 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. It is hereby declared
36 to be the policy of this chapter:

37 (a) that in certain areas in this state there exists a condition
38 created by the large concentration of taxable property in a single
39 township away from outlying areas which has created
40 administrative and financial problems in the maintenance and
41 operation of school systems in such areas, resulting in
42 maladjustment of taxable wealth in such areas for the levying of
43 taxes for the operation of the schools;

44 (b) that improvement in the administrative and financial
45 structures of the school corporations existing on March 12, 1965,
46 in such outlying areas is essential for the establishment and



1 maintenance of a general uniform and efficient system of public
 2 schools to provide a more equalized educational opportunity for
 3 public school pupils, the achievement of greater equity in school
 4 tax rates among the inhabitants of the various school corporations
 5 existing on March 12, 1965, in such areas, and the provision for
 6 more use of the public funds expended for the support of the
 7 public school systems;

8 (c) that statutes existing on March 12, 1965, with respect to the
 9 granting of financial assistance on a countywide school basis,
 10 allowing a more favorable use of the taxable wealth of the county
 11 for the support of the various school districts within or attached
 12 to the county, are inadequate to effectuate the need for this
 13 improvement in those areas described in this chapter; and

14 (d) that modification in the statutory provisions existing on March
 15 12, 1965, pertaining to the levying of tax rates for school purposes
 16 for such areas as qualify within the definitions in this chapter is
 17 essential to carry out the purposes of ~~IC 20-4-1~~, **IC 20-23-4**, and
 18 the tax levied under this chapter shall be deemed a county tax
 19 within the meaning of ~~IC 20-4-1~~, **IC 20-23-4**, and to that end it is
 20 the intent of this general assembly, by this chapter, to make
 21 provision for a more satisfactory use of the taxable wealth of
 22 counties that qualify under this chapter for the promotion,
 23 betterment, and improvement of their educational systems.

24 SECTION 122. IC 21-2-13-3 IS AMENDED TO READ AS
 25 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. The following terms
 26 wherever used and referred to in this chapter shall have the following
 27 meanings unless otherwise indicated by the context:

28 (a) The term "average daily membership (ADM)" has the same
 29 meaning as defined in IC 21-3-1.6-1.1(d).

30 (b) "County" means a county having a population of more than
 31 forty-six thousand one hundred eight (46,108) but less than forty-six
 32 thousand two hundred fifty (46,250) and any area attached thereto for
 33 school purposes.

34 (c) "County auditor" means the auditor of the county.

35 (d) "School corporation" means any school corporation of the state
 36 of Indiana which has under its jurisdiction any territory located in the
 37 county or assigned to the county for school purposes.

38 (e) "County supplemental school financing tax" means the tax to be
 39 levied by the board of county commissioners under this chapter for all
 40 areas assigned to the county for school purposes.

41 (f) "County school distribution fund" means the county fund into
 42 which the receipts from the county supplemental financing tax shall be
 43 credited and from which distribution to the school corporation shall be
 44 charged.

45 (g) "Assessed valuation" of any school corporation means the net
 46 assessed value of its real and taxable personal property adjusted by a



1 percentage factor. This factor shall be computed by the department of
 2 local government finance on a township-wide basis for each township
 3 in the county and areas assigned thereto for school purposes in the
 4 same manner that the department of local government finance
 5 computes a factor for the various counties of the state under
 6 IC 6-1.1-34. In determining the assessed valuation of any school
 7 corporation, the factor for any township shall be applied to the assessed
 8 valuation of the real and taxable personal property of each school
 9 corporation lying within such township and school areas attached
 10 thereto.

11 (h) "School year" means school year as defined in ~~IC 20-10.1-2-1.~~
 12 **IC 20-18-2-[??]**.

13 (i) The "entitlement" of a school corporation is that portion of the
 14 county school distribution fund to which any school corporation is
 15 entitled for any calendar year and on the basis of which the county
 16 supplemental school financing tax is set under the provisions of this
 17 chapter.

18 (j) "Receiving school corporation" means any school corporation
 19 receiving an entitlement under this chapter which exceeds the amount
 20 of the tax, provided for in section 5 of this chapter, collected on the
 21 assessed valuation of such school corporation.

22 (k) "Paying school corporation" means any school corporation in
 23 which the tax provided for in section 5 of this chapter, collected on the
 24 assessed valuation of such school corporation, exceeds the amount of
 25 the entitlement payable to such school corporation under this chapter.

26 (l) "Total school tax rate" means the sum of the tax rates levied for
 27 all school purposes.

28 SECTION 123. IC 21-2-14-6 IS AMENDED TO READ AS
 29 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6. (a) The loan
 30 provided in section 4 of this chapter shall be initiated by a resolution
 31 of the governing body of the school corporation in an amount which,
 32 together with the outstanding obligations of the school corporation,
 33 shall not exceed its maximum permissible debt under the Indiana
 34 constitution. Such resolution shall not be effective until it is approved
 35 by the State Board upon petition of the governing body of the school
 36 corporation.

37 (b) The provisions of all general laws relating to the filing of
 38 petitions requesting issuance of bonds or other evidences of
 39 indebtedness (herein referred to as "the loan") and giving of notice of
 40 determination to issue bonds, the approval of the appropriation by the
 41 department of local government finance, and the right of taxpayers to
 42 remonstrate on the issuance or sale of the loan as provided under
 43 IC 6-1.1-20 shall not be applicable or shall not be a prerequisite to the
 44 validity of such loan, unless the obligation is a lease or lease purchase
 45 agreement described in IC 6-1.1-20.

46 (c) After the petition has been approved by the state board, the loan



1 may be effected either by a loan from a financial institution evidenced
 2 by notes or by the issuance of bonds. The loan or the issuance of bonds
 3 shall be made only by public bidding after notice, in accordance with
 4 IC 5-1-11. The loan or bonds shall be sold at par and bear interest as
 5 determined by the bidding. Any bonds issued shall, except as otherwise
 6 provided in this section, be governed by ~~IC 20-5-4~~ **IC 21-2-21**. Any
 7 such bonds or loan may be secured by a pledge of the supplemental
 8 school operating reserve fund and the tax levy for such fund, or any
 9 unobligated part thereof; and shall be further secured as debt service
 10 obligations as provided in ~~IC 20-5-4-10(2)~~ **IC 21-2-21-??**.

11 SECTION 124. IC 21-2-15-4 IS AMENDED TO READ AS
 12 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. (a) As used in this
 13 subsection, "calendar year distribution" means the sum of:

14 (1) all distributions to a school corporation under:

- 15 (A) IC 6-1.1-19-1.5;
- 16 (B) IC 21-1-30;
- 17 (C) IC 21-3-1.7;
- 18 (D) IC 21-3-2.1; and
- 19 (E) IC 21-3-12;

20 for the calendar year; plus

21 (2) the school corporation's excise tax revenue (as defined in
 22 IC 21-3-1.7-2) for the immediately preceding calendar year.

23 (b) A school corporation may establish a capital projects fund.

24 (c) With respect to any facility used or to be used by the school
 25 corporation (other than a facility used or to be used primarily for
 26 interscholastic or extracurricular activities, except as provided in
 27 subsection (j)), the fund may be used to pay for the following:

- 28 (1) Planned construction, repair, replacement, or remodeling.
- 29 (2) Site acquisition.
- 30 (3) Site development.
- 31 (4) Repair, replacement, or site acquisition that is necessitated by
 32 an emergency.

33 (d) The fund may be used to pay for the purchase, lease, repair, or
 34 maintenance of equipment to be used by the school corporation (other
 35 than vehicles to be used for any purpose and equipment to be used
 36 primarily for interscholastic or extracurricular activities, except as
 37 provided in subsection (j)).

38 (e) The fund may be used for any of the following purposes:

- 39 (1) To purchase, lease, upgrade, maintain, or repair one (1) or
 40 more of the following:
 - 41 (A) Computer hardware.
 - 42 (B) Computer software.
 - 43 (C) Wiring and computer networks.
 - 44 (D) Communication access systems used to connect with
 45 computer networks or electronic gateways.
- 46 (2) To pay for the services of full-time or part-time computer



- 1 maintenance employees.
- 2 (3) To conduct nonrecurring inservice technology training of
3 school employees.
- 4 (4) To fund the payment of advances, together with interest on the
5 advances, from the common school fund for educational
6 technology programs under IC 21-1-5.
- 7 (5) To fund the acquisition of any equipment or services
8 necessary:
- 9 (A) to implement the technology preparation curriculum under
10 ~~IC 20-10.1-5-6~~; **IC 20-30-12**;
- 11 (B) to participate in a program to provide educational
12 technologies, including computers, in the homes of students
13 (commonly referred to as "the buddy system project") under
14 ~~IC 20-10.1-25~~; **IC 20-20-13**, the 4R's technology program
15 under ~~IC 20-10.1-25~~; **IC 20-20-13**, or any other program under
16 the educational technology program described in
17 ~~IC 20-10.1-25~~; **IC 20-20-13**; or
- 18 (C) to obtain any combination of equipment or services
19 described in clauses (A) and (B).
- 20 (f) The fund may be used to purchase:
- 21 (1) building sites;
- 22 (2) buildings in need of renovation;
- 23 (3) building materials; and
- 24 (4) equipment;
- 25 for the use of vocational building trades classes to construct new
26 buildings and to remodel existing buildings.
- 27 (g) The fund may be used for leasing or renting of existing real
28 estate, excluding payments authorized under IC 21-5-11 and
29 IC 21-5-12.
- 30 (h) The fund may be used to pay for services of the school
31 corporation employees that are bricklayers, stone masons, cement
32 masons, tile setters, glaziers, insulation workers, asbestos removers,
33 painters, paperhangers, drywall applicators and tapers, plasterers, pipe
34 fitters, roofers, structural and steel workers, metal building assemblers,
35 heating and air conditioning installers, welders, carpenters, electricians,
36 or plumbers, as these occupations are defined in the United States
37 Department of Labor, Employment and Training Administration,
38 Dictionary of Occupational Titles, Fourth Edition, Revised 1991, if:
- 39 (1) the employees perform construction of, renovation of,
40 remodeling of, repair of, or maintenance on the facilities and
41 equipment specified in subsections (b) and (c);
- 42 (2) the school corporation's total annual salary and benefits paid
43 by the school corporation to employees described in this
44 subsection are at least six hundred thousand dollars (\$600,000);
45 and
- 46 (3) the payment of the employees described in this subsection is



1 included as part of the proposed capital projects fund plan
2 described in section 5(a) of this chapter.

3 However, the number of employees that are covered by this subsection
4 is limited to the number of employee positions described in this
5 subsection that existed on January 1, 1993. For purposes of this
6 subsection, maintenance does not include janitorial or comparable
7 routine services normally provided in the daily operation of the
8 facilities or equipment.

9 (i) The fund may be used to pay for energy saving contracts entered
10 into by a school corporation under IC 36-1-12.5.

11 (j) Money from the fund may be used to pay for the construction,
12 repair, replacement, remodeling, or maintenance of a school sports
13 facility. However, a school corporation's expenditures in a calendar
14 year under this subsection may not exceed five percent (5%) of the
15 property tax revenues levied for the fund in the calendar year.

16 (k) Money from the fund may be used to carry out a plan developed
17 under ~~IC 20-10.1-33~~ **IC 16-41-37.5**.

18 (l) This subsection applies during the period beginning January 1,
19 2004, and ending December 31, 2005. Money from the fund may be
20 used to pay for up to one hundred percent (100%) of the following
21 costs of a school corporation:

- 22 (1) Utility services.
- 23 (2) Property or casualty insurance.
- 24 (3) Both utility services and property or casualty insurance.

25 In the 2004 calendar year, a school corporation's expenditures under
26 this subsection may not exceed one percent (1%) of the school
27 corporation's 2003 calendar year distribution. In the 2005 calendar
28 year, a school corporation's expenditures under this subsection may not
29 exceed two percent (2%) of the school corporation's 2003 calendar year
30 distribution.

31 (m) Notwithstanding subsection (l), a school corporation's
32 expenditures under subsection (l) in the 2004 calendar year may exceed
33 one percent (1%) of the school corporation's 2003 calendar year
34 distribution if the school corporation's 2004 calendar year distribution
35 is less than the school corporation's 2003 calendar year distribution.
36 The amount by which a school corporation's expenditures under
37 subsection (l) in the 2004 calendar year may exceed one percent (1%)
38 of the school corporation's 2003 calendar year distribution is the least
39 of the following:

- 40 (1) One percent (1%) of the school corporation's 2003 calendar
41 year distribution.
- 42 (2) The greater of zero (0) or the difference between:
 - 43 (A) the sum of:
 - 44 (i) the school corporation's calendar year distribution;
 - 45 (ii) the amount determined for the school corporation under
46 subsection (l); plus



- 1 (iii) the amount determined for the school corporation under
 2 this subsection, if any;
 3 for the immediately preceding calendar year; minus
 4 (B) the school corporation's calendar year distribution for the
 5 calendar year.
- 6 (3) The difference between:
 7 (A) one hundred percent (100%) of the school corporation's
 8 costs for utility services and property or casualty insurance;
 9 minus
 10 (B) the amount determined for the school corporation under
 11 subsection (1) for the calendar year.
- 12 (n) Notwithstanding subsection (l), a school corporation's
 13 expenditures under subsection (l) in the 2005 calendar year may exceed
 14 two percent (2%) of the school corporation's 2003 calendar year
 15 distribution if the school corporation's 2005 calendar year distribution
 16 is less than the school corporation's 2003 calendar year distribution.
 17 The amount by which a school corporation's expenditures under
 18 subsection (l) in the 2005 calendar year may exceed two percent (2%)
 19 of the school corporation's 2003 calendar year distribution is the least
 20 of the following:
- 21 (1) Two percent (2%) of the school corporation's 2003 calendar
 22 year distribution.
- 23 (2) The greater of zero (0) or the difference between:
 24 (A) the sum of:
 25 (i) the school corporation's calendar year distribution;
 26 (ii) the amount determined for the school corporation under
 27 subsection (1); plus
 28 (iii) the amount determined for the school corporation under
 29 this subsection, if any;
 30 for the immediately preceding calendar year; minus
 31 (B) the school corporation's calendar year distribution for the
 32 calendar year.
- 33 (3) The difference between:
 34 (A) one hundred percent (100%) of the school corporation's
 35 costs for utility services and property or casualty insurance;
 36 minus
 37 (B) the amount determined for the school corporation under
 38 subsection (1) for the calendar year.
- 39 SECTION 125. IC 21-2-17-1 IS AMENDED TO READ AS
 40 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. To implement
 41 ~~IC 20-1-6-14.1~~ **IC 20-35-4-14.1** and ~~IC 20-5-2-1.2~~, **IC 20-26-5-1**, each
 42 school corporation shall establish a fund to be known as the special
 43 education preschool fund. The fund consists of property taxes imposed
 44 under this chapter and distributions to the school from the state under
 45 this chapter. Money in the fund may be used only for special education
 46 programs for preschool age children, as required under ~~IC 20-1-6-14.1~~.



1 **IC 20-35-4-14.1.**

2 SECTION 126. IC 21-2-18-3 IS AMENDED TO READ AS
 3 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. (a) Except as
 4 provided in subsection (b), the fund may be used for one (1) or more of
 5 the purposes described in IC 20-5-62-6(4)(B), IC 20-10.1-25,
 6 ~~IC 20-10.1-25.3~~; **IC 20-20-13**, or IC 21-2-15-4(e).

7 (b) Money in the fund may not be used to purchase software
 8 programs to be used exclusively for administrative purposes, such as
 9 payroll and attendance records, personnel records, administration of
 10 insurance or pension programs, or any other similar purpose. However,
 11 if a particular software program is to be used for administrative
 12 purposes and for other purposes described in subsection (a), a portion
 13 of the cost of the software program may be paid from the fund. The
 14 portion of the cost that may be paid from the fund is the total cost of the
 15 software program multiplied by the estimated percentage of use of the
 16 software program for nonadministrative purposes.

17 SECTION 127. IC 21-3-1.6-1.1 IS AMENDED TO READ AS
 18 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1.1. As used in this
 19 chapter:

20 (a) "School corporation" means any local public school corporation
 21 established under Indiana law. Except as otherwise indicated, the term
 22 includes a charter school.

23 (b) "School year" means a year beginning July 1 and ending the next
 24 succeeding June 30.

25 (c) "State distribution" due a school corporation means the amount
 26 of state funds to be distributed to a school corporation in any calendar
 27 year under this chapter.

28 (d) "Average daily membership" or "ADM" of a school corporation
 29 means the number of eligible pupils enrolled in the school corporation
 30 or in a transferee corporation on a day to be fixed annually by the
 31 Indiana state board of education and, beginning in the school year that
 32 ends in the 2005 calendar year, as subsequently adjusted not later than
 33 January 30 under the rules adopted by the state board of education. The
 34 initial day of the count shall fall within the first thirty (30) days of the
 35 school term. If, however, extreme patterns of student in-migration,
 36 illness, natural disaster, or other unusual conditions in a particular
 37 school corporation's enrollment on either the day fixed by the Indiana
 38 state board of education or on the subsequent adjustment date, cause
 39 the enrollment to be unrepresentative of the school corporation's
 40 enrollment throughout a school year, the Indiana state board of
 41 education may designate another day for determining the school
 42 corporation's enrollment. The Indiana state board of education shall
 43 monitor changes that occur after the fall count, in the number of
 44 students enrolled in programs for children with disabilities and shall,
 45 before December 2 of that same year and, beginning in the 2004
 46 calendar year, before April 2 of the following calendar year, make an



1 adjusted count of students enrolled in programs for children with
2 disabilities. The superintendent of public instruction shall certify the
3 December adjusted count to the budget committee before February 5
4 of the following year and the April adjusted count not later than May
5 31 immediately after the date of the April adjusted count. In
6 determining the ADM, each kindergarten pupil shall be counted as
7 one-half (1/2) pupil. Where a school corporation commences
8 kindergarten in a school year, the ADM of the current and prior
9 calendar years shall be adjusted to reflect the enrollment of the
10 kindergarten pupils. In determining the ADM, each pupil enrolled in
11 a public school and a nonpublic school is to be counted on a full-time
12 equivalency basis as provided in section 1.2 of this chapter.

13 (e) "Additional count" of a school corporation, or comparable
14 language, means the aggregate of the additional counts of the school
15 corporation for certain pupils as set out in section 3 of this chapter
16 (repealed) and as determined at the times for calculating ADM.
17 "Current additional count" means the initial computed additional count
18 of the school corporation for the school year ending in the calendar
19 year. "Prior year additional count" of a school corporation used in
20 computing its state distribution in a calendar year means the initial
21 computed additional count of the school corporation for the school year
22 ending in the preceding calendar year.

23 (f) For purposes of this subsection, "school corporation" does not
24 include a charter school. "Adjusted assessed valuation" of any school
25 corporation used in computing state distribution for a calendar year
26 means the assessed valuation in the school corporation, adjusted as
27 provided in IC 6-1.1-34. The amount of the valuation shall also be
28 adjusted downward by the department of local government finance to
29 the extent it consists of real or personal property owned by a railroad
30 or other corporation under the jurisdiction of a federal court under the
31 federal bankruptcy laws (11 U.S.C. 101 et seq.) if as a result of the
32 corporation being involved in a bankruptcy proceeding the corporation
33 is delinquent in payment of its Indiana real and personal property taxes
34 for the year to which the valuation applies. If the railroad or other
35 corporation in some subsequent calendar year makes payment of the
36 delinquent taxes, then the state superintendent of public instruction
37 shall prescribe adjustments in the distributions of state funds pursuant
38 to this chapter as are thereafter to become due to a school corporation
39 affected by the delinquency as will ensure that the school corporation
40 will not have been unjustly enriched under the provisions of
41 P.L.382-1987(ss). The amount of the valuation shall also be adjusted
42 downward by the department of local government finance to the extent
43 it consists of real or personal property described in IC 6-1.1-17-0.5(b).

44 (g) "General fund" means a fund established under IC 21-2-11-2.

45 (h) "Teacher" means every person who is required as a condition of
46 employment by a school corporation to hold a teacher's license issued



1 or recognized by the state, except substitutes and any person paid
2 entirely from federal funds.

3 (i) For purposes of this subsection, "school corporation" does not
4 include a charter school. "Teacher ratio" of a school corporation used
5 in computing state distribution in any calendar year means the ratio
6 assigned to the school corporation pursuant to section 2 of this chapter.

7 (j) "Eligible pupil" means a pupil enrolled in a school corporation
8 if:

9 (1) the school corporation has the responsibility to educate the
10 pupil in its public schools without the payment of tuition;

11 (2) subject to subdivision (5), the school corporation has the
12 responsibility to pay transfer tuition under ~~IC 20-8.1-6.1;~~
13 **IC 20-33-4**, because the pupil is transferred for education to
14 another school corporation (the "transferee corporation");

15 (3) the pupil is enrolled in a school corporation as a transfer
16 student under ~~IC 20-8.1-6.1-3~~ **IC 20-33-4-6** or entitled to be
17 counted for ADM or additional count purposes as a resident of the
18 school corporation when attending its schools under any other
19 applicable law or regulation;

20 (4) the state is responsible for the payment of transfer tuition to
21 the school corporation for the pupil under ~~IC 20-8.1-6.1;~~
22 **IC 20-33-4**; or

23 (5) all of the following apply:

24 (A) The school corporation is a transferee corporation.

25 (B) The pupil does not qualify as a qualified pupil in the
26 transferee corporation under subdivision (3) or (4).

27 (C) The transferee corporation's attendance area includes a
28 state licensed private or public health care facility, child care
29 facility, or foster family home where the pupil was placed:

30 (i) by or with the consent of the division of family and
31 children;

32 (ii) by a court order;

33 (iii) by a child placing agency licensed by the division of
34 family and children; or

35 (iv) by a parent or guardian under ~~IC 20-8.1-6.1-5;~~
36 **IC 20-33-4-8**.

37 For purposes of IC 21-3-12, the term includes a student enrolled in a
38 charter school.

39 (k) "General fund budget" of a school corporation means the amount
40 of the budget approved for a given year by the department of local
41 government finance and used by the department of local government
42 finance in certifying a school corporation's general fund tax levy and
43 tax rate for the school corporation's general fund as provided for in
44 IC 21-2-11. The term does not apply to a charter school.

45 (l) "At risk index" means the following:

46 (1) For a school corporation that is a not a charter school, the sum



- 1 of:
- 2 (A) the product of sixteen-hundredths (0.16) multiplied by the
- 3 percentage of families in the school corporation with children
- 4 who are less than eighteen (18) years of age and who have a
- 5 family income below the federal income poverty level (as
- 6 defined in IC 12-15-2-1);
- 7 (B) the product of four-tenths (0.4) multiplied by the
- 8 percentage of families in the school corporation with a single
- 9 parent; and
- 10 (C) the product of forty-four hundredths (0.44) multiplied by
- 11 the percentage of the population in the school corporation who
- 12 are at least twenty (20) years of age with less than a twelfth
- 13 grade education.

14 The data to be used in making the calculations under this

15 subdivision must be the data from the 2000 federal decennial

16 census.

- 17 (2) For a charter school, the index determined under subdivision
- 18 (1) for the school corporation in which the charter school is
- 19 located.

20 (m) "ADM of the previous year" or "ADM of the prior year" used in

21 computing a state distribution in a calendar year means the initial

22 computed ADM for the school year ending in the preceding calendar

23 year.

24 (n) "Current ADM" used in computing a state distribution in a

25 calendar year means the initial computed ADM for the school year

26 ending in the calendar year.

27 SECTION 128. IC 21-3-1.6-1.2 IS AMENDED TO READ AS

28 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1.2. (a) This section

29 applies only to a pupil who:

- 30 (1) is enrolled in a public school and a nonpublic school;
- 31 (2) has legal settlement in a school corporation; and
- 32 (3) receives instructional services from the school corporation.

33 (b) A pupil described in subsection (a) may be considered in a

34 school corporation's ADM count on a full-time equivalency basis as

35 determined under subsection (c).

36 (c) For purposes of this section, full-time equivalency is calculated

37 as follows:

38 STEP ONE: Determine the result of:

- 39 (A) the number of days instructional services will be provided
- 40 to the pupil, not to exceed one hundred eighty (180); divided
- 41 by
- 42 (B) one hundred eighty (180).

43 STEP TWO: Determine the result of:

- 44 (A) the pupil's public school instructional time (as defined in
- 45 ~~IC 20-10.1-2-1(b)~~; **IC 20-30-2-1**), rounded to the nearest
- 46 one-hundredth (0.01); divided by



- 1 (B) the actual public school regular instructional day (as
 2 defined in ~~IC 20-10.1-2-1(b)~~; **IC 20-30-2-2**), rounded to the
 3 nearest one-hundredth (0.01).
- 4 STEP THREE: Determine the result of:
 5 (A) the STEP ONE result; multiplied by
 6 (B) the STEP TWO result.
- 7 STEP FOUR: Determine the lesser of one (1) or the result of:
 8 (A) the STEP THREE result; multiplied by
 9 (B) one and five hundredths (1.05).
- 10 (d) If the computation for a pupil under subsection (c) results in a
 11 fraction, the fraction must be rounded to the nearest one-hundredth
 12 (0.01).
- 13 SECTION 129. IC 21-3-1.7-3.1 IS AMENDED TO READ AS
 14 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3.1. (a) As used in this
 15 chapter, "previous year revenue" for calculations with respect to a
 16 school corporation equals:
 17 (1) the school corporation's tuition support for regular programs,
 18 including basic tuition support, and excluding:
 19 (A) special education grants;
 20 (B) vocational education grants;
 21 (C) at-risk programs;
 22 (D) the enrollment adjustment grant;
 23 (E) the academic honors diploma award;
 24 (F) the primetime distribution; and
 25 (G) for 2005 and thereafter, the supplemental remediation
 26 grant;
 27 for the year that precedes the current year; plus
 28 (2) the school corporation's tuition support levy for the year that
 29 precedes the current year before the reductions required under
 30 section 5(1) and 5(2) of this chapter; plus
 31 (3) distributions received by the school corporation under
 32 IC 6-1.1-21.6 for the year that precedes the current year; plus
 33 (4) the school corporation's excise tax revenue for the year that
 34 precedes the current year by two (2) years; minus
 35 (5) an amount equal to the reduction in the school corporation's
 36 tuition support under subsection (b) or ~~IC 20-10.1-2-1~~;
 37 **IC 20-30-2**, or both; plus
 38 (6) in calendar year 2003, the amount determined for calendar
 39 year 2002 under section 8.2 of this chapter, STEP TWO (C); plus
 40 (7) in calendar year 2004, the amount determined for calendar
 41 year 2002 under section 8.2 of this chapter, STEP TWO (D); plus
 42 (8) notwithstanding subdivision (1), in calendar year 2004, the
 43 school corporation's distribution under section 9.7 of this chapter
 44 for calendar year 2003.
- 45 (b) A school corporation's previous year revenue shall be reduced
 46 if:



- 1 (1) the school corporation's state tuition support for special or
 2 vocational education was reduced as a result of a complaint being
 3 filed with the department of education after December 31, 1988,
 4 because the school program overstated the number of children
 5 enrolled in special or vocational education programs; and
 6 (2) the school corporation's previous year revenue has not been
 7 reduced under this subsection more than one (1) time because of
 8 a given overstatement.

9 The amount of the reduction equals the amount the school corporation
 10 would have received in tuition support for special and vocational
 11 education because of the overstatement.

12 (c) A school corporation's previous year revenue shall be reduced
 13 if an existing elementary or secondary school located in the school
 14 corporation converts to a charter school under ~~IC 20-5-5-11~~.
 15 **IC 20-24-11**. The amount of the reduction equals the product of:

- 16 (1) the sum of the amounts distributed to the conversion charter
 17 school under ~~IC 20-5-5-7-3.5(c)~~ **IC 20-24-7-3(c)** and
 18 ~~IC 20-5-5-7-3.5(d)~~; **IC 20-24-7-3(d)**; multiplied by
 19 (2) two (2).

20 SECTION 130. IC 21-3-3.1-2.1 IS AMENDED TO READ AS
 21 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2.1. (a) For each
 22 calendar year, the allowable transportation distribution for each school
 23 corporation shall be based on the following formula:

- 24 (1) The sum of two hundred seventy-five dollars (\$275) for 1988,
 25 and two hundred eighty dollars (\$280) for 1989 and thereafter,
 26 less the product of twenty dollars (\$20) multiplied by the linear
 27 density of the school corporation.
 28 (2) This remainder is then multiplied by the number of the school
 29 corporation's eligible pupils.
 30 (3) From this product is subtracted the product of thirteen and
 31 sixty-seven hundredths cents (\$0.1367) multiplied by each one
 32 hundred dollars (\$100) of the school corporation's assessed value
 33 for taxes first due and payable in the preceding year.

34 (b) Application of the formula in subsection (a) shall be governed
 35 and modified by the following provisions:

- 36 (1) In calendar year 1976, and subsequent years, no school
 37 corporation that receives funds under this chapter shall receive
 38 less money than the school corporation was entitled to receive in
 39 calendar year 1975 under IC 21-3-3 (repealed December 31,
 40 1975).
 41 (2) The linear density of the school corporation shall be
 42 determined by dividing the total number of eligible pupils by the
 43 round trip mileage of all vehicles used by or for the school
 44 corporation in transporting pupils.
 45 (3) Eligible pupils are those counted in ADM, enrolled in grades
 46 K-12, and transported more than one (1) mile or a preschool child



1 who is transported for purposes of attending a special education
2 program under ~~IC 20-1-6-14.1~~, **IC 20-35-4-14.1**, regardless of the
3 distance transported.

4 (4) The round trip mileage of a vehicle shall be the total miles
5 traveled by the vehicle measured from the first point the vehicle
6 picks up an eligible pupil to the last point at which an eligible
7 pupil disembarks at school, multiplied by two (2).

8 (5) A kindergarten pupil, to the extent the pupil constitutes a
9 eligible pupil, shall be counted as one-half (1/2) an eligible pupil.
10 A preschool pupil attending a special education program under
11 IC 20-1-6-14.1 is counted as one (1) eligible pupil.

12 (6) All the factors, applied in sections 1 and 3 of this chapter for
13 determining the transportation distribution for any school
14 corporation for any calendar year, shall be those existing in the
15 school year ending in the preceding calendar year.

16 (7) If subsection (a)(3) requires the use of the assessed valuation
17 for a year in which a general reassessment becomes effective, the
18 state shall make an adjustment in the assessed value used to
19 neutralize the effect of the general reassessment. The adjustment
20 applies to all subsequent years before another general
21 reassessment becomes effective.

22 SECTION 131. IC 21-3-4.5-2 IS AMENDED TO READ AS
23 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. (a) For purposes of
24 this section, "debt service" does not include interest on temporary
25 borrowing made in anticipation of the receipt of tax revenues or state
26 tuition support distributions under ~~IC 20-5-4-8~~. **IC 21-2-21-1**.

27 (b) Each school corporation shall use the distribution in the
28 following manner:

29 (1) The school corporation may use for its current operating
30 expenses no more than the greatest total dollars it used for
31 operating expenses from the ADA flat grant distribution account
32 in any of the following calendar years: 1973 through 1993.

33 (2) The school corporation, if it has debt service, shall use for
34 debt service any remaining amount in the distribution after
35 subtracting any amount used under subdivision (1).

36 (3) The school corporation may use for the capital projects fund
37 or current operating expense any remaining amount in the
38 distribution after subtracting the amount used under subdivision
39 (2).

40 (c) The budgets of the various school corporations must reflect the
41 anticipated receipts from the state ADA flat grant distribution account.
42 Appropriations shall be made as other appropriations are made.

43 SECTION 132. IC 21-3-11-1 IS AMENDED TO READ AS
44 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. As used in this
45 chapter, "alternative education program" means an alternative
46 education program as defined in ~~IC 20-10-1-4.6-1~~. **IC 20-30-8-1**.



1 SECTION 133. IC 21-3-11-2 IS AMENDED TO READ AS
 2 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. As used in this
 3 chapter, "eligible student" means an eligible pupil (as defined in
 4 IC 21-3-1.6-1.1) who meets the criteria for enrollment in an alternative
 5 education program under ~~IC 20-10.1-4.6-6.3~~ **IC 20-30-8-9**.

6 SECTION 134. IC 21-3-11-5 IS AMENDED TO READ AS
 7 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. As used in this
 8 chapter, "qualifying school corporation" means a school corporation
 9 that has been approved under ~~IC 20-10.1-4.6-6~~ **IC 20-30-8-8** to receive
 10 a grant under this chapter.

11 SECTION 135. IC 21-5-9-5 IS AMENDED TO READ AS
 12 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. The sale price of an
 13 existing school building shall be determined under the provisions of
 14 IC 21-5-11 or IC 21-5-12 relating to the sale of land to a lessor
 15 corporation. Except as provided in this section, neither ~~IC 20-5-5~~
 16 **IC 20-26-7** nor any other law relating to the sale of the property of
 17 school corporations or other public property applies to the sale of
 18 existing school buildings to lessor corporations pursuant to this
 19 chapter.

20 SECTION 136. IC 21-6.1-4-1 IS AMENDED TO READ AS
 21 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. (a) The members of
 22 the fund include:

- 23 (1) legally qualified and regularly employed teachers in the public
 24 schools;
- 25 (2) persons employed by a governing body, who were qualified
 26 before their election or appointment;
- 27 (3) legally qualified and regularly employed teachers at Ball State
 28 University, Indiana State University, University of Southern
 29 Indiana, or Vincennes University;
- 30 (4) legally qualified and regularly employed teachers in a state
 31 educational institution supported wholly by public money and
 32 whose teachers devote their entire time to teaching;
- 33 (5) legally qualified and regularly employed teachers in state
 34 benevolent, charitable, or correctional institutions;
- 35 (6) legally qualified and regularly employed teachers in a
 36 experimental school in a state university who teach elementary or
 37 high school students;
- 38 (7) as determined by the board, certain instructors serving in a
 39 university extension division not covered by a state retirement
 40 law;
- 41 (8) employees and officers of the department of education and of
 42 the fund who were qualified before their election or appointment;
- 43 (9) a person:
 - 44 (A) who is employed as a nurse appointed under ~~IC 20-8.1-7-5~~
 45 **IC 20-34-3-6** by a school corporation located in a city having
 46 a population of more than ninety thousand (90,000) but less



1 than one hundred five thousand (105,000); and
 2 (B) who participated in the fund before December 31, 1991, in
 3 the position described in clause (A); and
 4 (10) persons who are employed by the fund.

5 (b) Teachers in any state institution who accept the benefits of a
 6 state supported retirement benefit system comparable to the fund's
 7 benefits may not come under the fund unless permitted by law or the
 8 rules of the board.

9 (c) The members of the fund do not include substitute teachers who
 10 have not obtained an associate degree or a baccalaureate degree.

11 SECTION 137. IC 21-6.1-4-5 IS AMENDED TO READ AS
 12 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. (a) Except as
 13 provided in IC 21-6.1-4-6.1, a member may be given credit for leaves
 14 of absence for study, professional improvement, and temporary
 15 disability so long as the leave credit does not exceed one-seventh of the
 16 total years of service claimed for retirement, referred to as the
 17 one-seventh rule. A member granted a leave in these instances for
 18 exchange teaching and for other educational employment approved
 19 individually by the board is considered a teacher and is entitled to the
 20 benefits of the fund if for or during the leave the member pays into the
 21 fund the member's contributions. A leave for other educational
 22 employment is not subject to the one-seventh rule.

23 (b) In each case of a teacher requesting a leave of absence to work
 24 in a federally supported educational project, the board must determine
 25 that the project is educational in nature and serves state citizens who
 26 might otherwise be served by the public schools or public institutions
 27 of higher education. The board shall make this determination for a one
 28 (1) year period, which is later subject to review and reapproval.

29 (c) Subject to this chapter, leaves of absence specified in
 30 ~~IC 20-6.1-6-1, IC 20-6.1-6-2, or IC 20-6.1-6-3~~ **IC 20-28-10-1,**
 31 **IC 20-28-10-2, IC 20-28-10-3, or IC 20-28-10-4** and adoption leave
 32 of not more than one (1) year must be credited to retirement.

33 (d) Notwithstanding any law, this section must be administered in
 34 a manner consistent with the Family and Medical Leave Act of 1993
 35 (29 U.S.C. 2601 et seq.). A member on a leave of absence that qualifies
 36 for the benefits and protections afforded by the Family and Medical
 37 Leave Act is entitled to receive credit for vesting and eligibility
 38 purposes to the extent required by the Family and Medical Leave Act,
 39 but is not entitled to receive credit for service for benefit purposes
 40 unless the leave is described in subsection (a), (b), or (c).

41 SECTION 138. IC 21-6.1-4-13 IS AMENDED TO READ AS
 42 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 13. (a) After December
 43 31, 1994, creditable service does not accrue under this chapter,
 44 IC 5-10.2-3-1, ~~IC 20-6.1-6-1, IC 20-6.1-6-2,~~ **IC 20-28-10-1,**
 45 **IC 20-28-10-2, IC 20-28-10-3,** or any other law concerning the fund
 46 for leave for other educational employment unless the creditable



1 service is directly related to a governmental unit under Section 414(d)
2 of the Internal Revenue Code (as defined in IC 5-10.2-1-3.5).

3 (b) After June 30, 1995, for members receiving credit for leave for
4 other educational employment under section 5 of this chapter or
5 subsection (a), the board shall assess an actuarially determined
6 employer share amount against the appropriate entity to be paid to the
7 state general fund.

8 SECTION 139. IC 21-9-7-2 IS AMENDED TO READ AS
9 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. The amount of
10 money available in an account and the proposed use of money in an
11 account on behalf of an account beneficiary may not be considered by
12 the state student assistance commission under IC 20-12-21 or
13 IC 20-12-21.7 when determining award amounts under a program
14 administered by the state student assistance commission.

15 SECTION 140. IC 22-3-6-1 IS AMENDED TO READ AS
16 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. In IC 22-3-2 through
17 IC 22-3-6, unless the context otherwise requires:

18 (a) "Employer" includes the state and any political subdivision, any
19 municipal corporation within the state, any individual or the legal
20 representative of a deceased individual, firm, association, limited
21 liability company, or corporation or the receiver or trustee of the same,
22 using the services of another for pay. A parent corporation and its
23 subsidiaries shall each be considered joint employers of the
24 corporation's, the parent's, or the subsidiaries' employees for purposes
25 of IC 22-3-2-6 and IC 22-3-3-31. Both a lessor and a lessee of
26 employees shall each be considered joint employers of the employees
27 provided by the lessor to the lessee for purposes of IC 22-3-2-6 and
28 IC 22-3-3-31. If the employer is insured, the term includes the
29 employer's insurer so far as applicable. However, the inclusion of an
30 employer's insurer within this definition does not allow an employer's
31 insurer to avoid payment for services rendered to an employee with the
32 approval of the employer. The term also includes an employer that
33 provides on-the-job training under the federal School to Work
34 Opportunities Act (20 U.S.C. 6101 et seq.) to the extent set forth in
35 IC 22-3-2-2.5.

36 (b) "Employee" means every person, including a minor, in the
37 service of another, under any contract of hire or apprenticeship, written
38 or implied, except one whose employment is both casual and not in the
39 usual course of the trade, business, occupation, or profession of the
40 employer.

41 (1) An executive officer elected or appointed and empowered in
42 accordance with the charter and bylaws of a corporation, other
43 than a municipal corporation or governmental subdivision or a
44 charitable, religious, educational, or other nonprofit corporation,
45 is an employee of the corporation under IC 22-3-2 through
46 IC 22-3-6.



- 1 (2) An executive officer of a municipal corporation or other
2 governmental subdivision or of a charitable, religious,
3 educational, or other nonprofit corporation may, notwithstanding
4 any other provision of IC 22-3-2 through IC 22-3-6, be brought
5 within the coverage of its insurance contract by the corporation by
6 specifically including the executive officer in the contract of
7 insurance. The election to bring the executive officer within the
8 coverage shall continue for the period the contract of insurance is
9 in effect, and during this period, the executive officers thus
10 brought within the coverage of the insurance contract are
11 employees of the corporation under IC 22-3-2 through IC 22-3-6.
- 12 (3) Any reference to an employee who has been injured, when the
13 employee is dead, also includes the employee's legal
14 representatives, dependents, and other persons to whom
15 compensation may be payable.
- 16 (4) An owner of a sole proprietorship may elect to include the
17 owner as an employee under IC 22-3-2 through IC 22-3-6 if the
18 owner is actually engaged in the proprietorship business. If the
19 owner makes this election, the owner must serve upon the owner's
20 insurance carrier and upon the board written notice of the
21 election. No owner of a sole proprietorship may be considered an
22 employee under IC 22-3-2 through IC 22-3-6 until the notice has
23 been received. If the owner of a sole proprietorship is an
24 independent contractor in the construction trades and does not
25 make the election provided under this subdivision, the owner
26 must obtain an affidavit of exemption under IC 22-3-2-14.5.
- 27 (5) A partner in a partnership may elect to include the partner as
28 an employee under IC 22-3-2 through IC 22-3-6 if the partner is
29 actually engaged in the partnership business. If a partner makes
30 this election, the partner must serve upon the partner's insurance
31 carrier and upon the board written notice of the election. No
32 partner may be considered an employee under IC 22-3-2 through
33 IC 22-3-6 until the notice has been received. If a partner in a
34 partnership is an independent contractor in the construction trades
35 and does not make the election provided under this subdivision,
36 the partner must obtain an affidavit of exemption under
37 IC 22-3-2-14.5.
- 38 (6) Real estate professionals are not employees under IC 22-3-2
39 through IC 22-3-6 if:
- 40 (A) they are licensed real estate agents;
 - 41 (B) substantially all their remuneration is directly related to
42 sales volume and not the number of hours worked; and
 - 43 (C) they have written agreements with real estate brokers
44 stating that they are not to be treated as employees for tax
45 purposes.
- 46 (7) A person is an independent contractor in the construction



- 1 trades and not an employee under IC 22-3-2 through IC 22-3-6 if
 2 the person is an independent contractor under the guidelines of
 3 the United States Internal Revenue Service.
- 4 (8) An owner-operator that provides a motor vehicle and the
 5 services of a driver under a written contract that is subject to
 6 IC 8-2.1-24-23, 45 IAC 16-1-13, or 49 CFR 1057, to a motor
 7 carrier is not an employee of the motor carrier for purposes of
 8 IC 22-3-2 through IC 22-3-6. The owner-operator may elect to be
 9 covered and have the owner-operator's drivers covered under a
 10 worker's compensation insurance policy or authorized
 11 self-insurance that insures the motor carrier if the owner-operator
 12 pays the premiums as requested by the motor carrier. An election
 13 by an owner-operator under this subdivision does not terminate
 14 the independent contractor status of the owner-operator for any
 15 purpose other than the purpose of this subdivision.
- 16 (9) A member or manager in a limited liability company may elect
 17 to include the member or manager as an employee under
 18 IC 22-3-2 through IC 22-3-6 if the member or manager is actually
 19 engaged in the limited liability company business. If a member or
 20 manager makes this election, the member or manager must serve
 21 upon the member's or manager's insurance carrier and upon the
 22 board written notice of the election. A member or manager may
 23 not be considered an employee under IC 22-3-2 through IC 22-3-6
 24 until the notice has been received.
- 25 (10) An unpaid participant under the federal School to Work
 26 Opportunities Act (20 U.S.C. 6101 et seq.) is an employee to the
 27 extent set forth in IC 22-3-2-2.5.
- 28 (c) "Minor" means an individual who has not reached seventeen
 29 (17) years of age.
- 30 (1) Unless otherwise provided in this subsection, a minor
 31 employee shall be considered as being of full age for all purposes
 32 of IC 22-3-2 through IC 22-3-6.
- 33 (2) If the employee is a minor who, at the time of the accident, is
 34 employed, required, suffered, or permitted to work in violation of
 35 ~~IC 20-8.1-4-25~~, **IC 20-33-3-36**, the amount of compensation and
 36 death benefits, as provided in IC 22-3-2 through IC 22-3-6, shall
 37 be double the amount which would otherwise be recoverable. The
 38 insurance carrier shall be liable on its policy for one-half (1/2) of
 39 the compensation or benefits that may be payable on account of
 40 the injury or death of the minor, and the employer shall be liable
 41 for the other one-half (1/2) of the compensation or benefits. If the
 42 employee is a minor who is not less than sixteen (16) years of age
 43 and who has not reached seventeen (17) years of age and who at
 44 the time of the accident is employed, suffered, or permitted to
 45 work at any occupation which is not prohibited by law, this
 46 subdivision does not apply.



1 (3) A minor employee who, at the time of the accident, is a
 2 student performing services for an employer as part of an
 3 approved program under ~~IC 20-10-1-6-7~~ **IC 20-37-2-7** shall be
 4 considered a full-time employee for the purpose of computing
 5 compensation for permanent impairment under IC 22-3-3-10. The
 6 average weekly wages for such a student shall be calculated as
 7 provided in subsection (d)(4).

8 (4) The rights and remedies granted in this subsection to a minor
 9 under IC 22-3-2 through IC 22-3-6 on account of personal injury
 10 or death by accident shall exclude all rights and remedies of the
 11 minor, the minor's parents, or the minor's personal
 12 representatives, dependents, or next of kin at common law,
 13 statutory or otherwise, on account of the injury or death. This
 14 subsection does not apply to minors who have reached seventeen
 15 (17) years of age.

16 (d) "Average weekly wages" means the earnings of the injured
 17 employee in the employment in which the employee was working at the
 18 time of the injury during the period of fifty-two (52) weeks
 19 immediately preceding the date of injury, divided by fifty-two (52),
 20 except as follows:

21 (1) If the injured employee lost seven (7) or more calendar days
 22 during this period, although not in the same week, then the
 23 earnings for the remainder of the fifty-two (52) weeks shall be
 24 divided by the number of weeks and parts thereof remaining after
 25 the time lost has been deducted.

26 (2) Where the employment prior to the injury extended over a
 27 period of less than fifty-two (52) weeks, the method of dividing
 28 the earnings during that period by the number of weeks and parts
 29 thereof during which the employee earned wages shall be
 30 followed, if results just and fair to both parties will be obtained.
 31 Where by reason of the shortness of the time during which the
 32 employee has been in the employment of the employee's employer
 33 or of the casual nature or terms of the employment it is
 34 impracticable to compute the average weekly wages, as defined
 35 in this subsection, regard shall be had to the average weekly
 36 amount which during the fifty-two (52) weeks previous to the
 37 injury was being earned by a person in the same grade employed
 38 at the same work by the same employer or, if there is no person so
 39 employed, by a person in the same grade employed in the same
 40 class of employment in the same district.

41 (3) Wherever allowances of any character made to an employee
 42 in lieu of wages are a specified part of the wage contract, they
 43 shall be deemed a part of his earnings.

44 (4) In computing the average weekly wages to be used in
 45 calculating an award for permanent impairment under
 46 IC 22-3-3-10 for a student employee in an approved training



1 program under ~~IC 20-10-1-6-7~~, **IC 20-37-2-7**, the following
 2 formula shall be used. Calculate the product of:

- 3 (A) the student employee's hourly wage rate; multiplied by
 4 (B) forty (40) hours.

5 The result obtained is the amount of the average weekly wages for
 6 the student employee.

7 (e) "Injury" and "personal injury" mean only injury by accident
 8 arising out of and in the course of the employment and do not include
 9 a disease in any form except as it results from the injury.

10 (f) "Billing review service" refers to a person or an entity that
 11 reviews a medical service provider's bills or statements for the purpose
 12 of determining pecuniary liability. The term includes an employer's
 13 worker's compensation insurance carrier if the insurance carrier
 14 performs such a review.

15 (g) "Billing review standard" means the data used by a billing
 16 review service to determine pecuniary liability.

17 (h) "Community" means a geographic service area based on zip
 18 code districts defined by the United States Postal Service according to
 19 the following groupings:

20 (1) The geographic service area served by zip codes with the first
 21 three (3) digits 463 and 464.

22 (2) The geographic service area served by zip codes with the first
 23 three (3) digits 465 and 466.

24 (3) The geographic service area served by zip codes with the first
 25 three (3) digits 467 and 468.

26 (4) The geographic service area served by zip codes with the first
 27 three (3) digits 469 and 479.

28 (5) The geographic service area served by zip codes with the first
 29 three (3) digits 460, 461 (except 46107), and 473.

30 (6) The geographic service area served by the 46107 zip code and
 31 zip codes with the first three (3) digits 462.

32 (7) The geographic service area served by zip codes with the first
 33 three (3) digits 470, 471, 472, 474, and 478.

34 (8) The geographic service area served by zip codes with the first
 35 three (3) digits 475, 476, and 477.

36 (i) "Medical service provider" refers to a person or an entity that
 37 provides medical services, treatment, or supplies to an employee under
 38 IC 22-3-2 through IC 22-3-6.

39 (j) "Pecuniary liability" means the responsibility of an employer or
 40 the employer's insurance carrier for the payment of the charges for each
 41 specific service or product for human medical treatment provided
 42 under IC 22-3-2 through IC 22-3-6 in a defined community, equal to or
 43 less than the charges made by medical service providers at the eightieth
 44 percentile in the same community for like services or products.

45 SECTION 141. IC 22-3-7-9.2 IS AMENDED TO READ AS
 46 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 9.2. As used in section



1 9(c) of this chapter, the term "violation of the child labor laws of this
 2 state" means a violation of ~~IC 20-8-1-4-25~~ **IC 20-33-3-36**. The term
 3 does not include a violation of any other provision of ~~IC 20-8-1-4~~
 4 **IC 20-33-3**.

5 SECTION 142. IC 22-4-18-1 IS AMENDED TO READ AS
 6 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. (a) There is created
 7 a department under IC 22-4.1-2-1 which shall be known as the
 8 department of workforce development.

9 (b) The department of workforce development may:

10 (1) Administer the unemployment insurance program, the
 11 Wagner-Peyser program, the Workforce Investment Act, the Job
 12 Training Partnership Act program, including a free public labor
 13 exchange, and related federal and state employment and training
 14 programs as directed by the governor.

15 (2) Formulate and implement an employment and training plan as
 16 required by the Workforce Investment Act (29 U.S.C. 2801 et
 17 seq.), the Job Training Partnership Act (29 U.S.C. 1501 et seq.),
 18 and the Wagner-Peyser Act (29 U.S.C. 49 et seq.).

19 (3) Coordinate activities with all state agencies and departments
 20 that either provide employment and training related services or
 21 operate appropriate resources or facilities, to maximize Indiana's
 22 efforts to provide employment opportunities for economically
 23 disadvantaged individuals, dislocated workers, and others with
 24 substantial barriers to employment.

25 (4) Apply for, receive, disburse, allocate, and account for all
 26 funds, grants, gifts, and contributions of money, property, labor,
 27 and other things of value from public and private sources,
 28 including grants from agencies and instrumentalities of the state
 29 and the federal government.

30 (5) Enter into agreements with the United States government that
 31 may be required as a condition of obtaining federal funds related
 32 to activities of the department.

33 (6) Enter into contracts or agreements and cooperate with local
 34 governmental units or corporations, including profit or nonprofit
 35 corporations, or combinations of units and corporations to carry
 36 out the duties of this agency imposed by this chapter, including
 37 contracts for the establishment and administration of employment
 38 and training offices and the delegation of its administrative,
 39 monitoring, and program responsibilities and duties set forth in
 40 this article. Before executing contracts described by this
 41 subdivision, the department shall give preferential consideration
 42 to using departmental personnel for the provision of services
 43 through local public employment and training offices. Contracting
 44 of Wagner-Peyser services is prohibited where state employees
 45 are laid off due to the diversion of Wagner-Peyser funds.

46 (7) Perform other services and activities that are specified in



1 contracts for payments or reimbursement of the costs made with
 2 the Secretary of Labor or with any federal, state, or local public
 3 agency or administrative entity under the Workforce Investment
 4 Act (29 U.S.C. 2801 et seq.), the Job Training Partnership Act (29
 5 U.S.C. 1501 et seq.), or private nonprofit organization.

6 (8) Enter into contracts or agreements and cooperate with entities
 7 that provide vocational education to carry out the duties imposed
 8 by this chapter.

9 (c) The department of workforce development may not enter into
 10 contracts for the delivery of services to claimants or employers under
 11 the unemployment insurance program. The payment of unemployment
 12 compensation must be made in accordance with 26 U.S.C. 3304.

13 (d) The department of workforce development may do all acts and
 14 things necessary or proper to carry out the powers expressly granted
 15 under this article, including the adoption of rules under IC 4-22-2.

16 (e) The department of workforce development may not charge any
 17 claimant for benefits for providing services under this article, except as
 18 provided in IC 22-4-17-12.

19 (f) The department of workforce development shall distribute
 20 federal funds made available for employment training in accordance
 21 with:

22 (1) 29 U.S.C. 2801 et seq., 29 U.S.C. 1501 et seq., and other
 23 applicable federal laws; and

24 (2) the plan prepared by the department under subsection (g)(1).
 25 However, the Indiana commission on vocational and technical
 26 education within the department of workforce development shall
 27 distribute federal funds received under 29 U.S.C. 1533.

28 (g) In addition to the duties prescribed in subsections (a) through (f),
 29 the department of workforce development shall do the following:

30 (1) Implement to the best of its ability its employment training
 31 programs (as defined in ~~IC 20-1-18.3-3~~; **IC 22-4.1-10-[??]**), the
 32 comprehensive vocational education program in Indiana
 33 developed under the long range plan under ~~IC 20-1-18.3-10~~;
 34 **IC 22-4.1-10-[??]**, and the skills 2016 training program
 35 established under IC 22-4-10.5.

36 (2) Upon request of the budget director, prepare a legislative
 37 budget request for state and federal funds for employment
 38 training. The budget director shall determine the period to be
 39 covered by the budget request.

40 (3) Evaluate its programs according to criteria established by the
 41 Indiana commission on vocational and technical education within
 42 the department of workforce development under ~~IC 20-1-18.3-13~~;
 43 **IC 22-4.1-10-[??]**.

44 (4) Make or cause to be made studies of the needs for various
 45 types of programs that are related to employment training and
 46 authorized under the Workforce Investment Act and the Job



1 Training Partnership Act.

2 (5) Distribute state funds made available for employment training
3 that have been appropriated by the general assembly in
4 accordance with:

5 (A) the general assembly appropriation; and

6 (B) the plan prepared by the department under subdivision (1).

7 (6) Establish, implement, and maintain a training program in the
8 nature and dynamics of domestic and family violence for training
9 of all employees of the department who interact with a claimant
10 for benefits to determine whether the claim of the individual for
11 unemployment benefits is valid and to determine that employment
12 separations stemming from domestic or family violence are
13 reliably screened, identified, and adjudicated and that victims of
14 domestic or family violence are able to take advantage of the full
15 range of job services provided by the department. The training
16 presenters shall include domestic violence experts with expertise
17 in the delivery of direct services to victims of domestic violence,
18 including using the staff of shelters for battered women in the
19 presentation of the training. The initial training shall consist of
20 instruction of not less than six (6) hours. Refresher training shall
21 be required annually and shall consist of instruction of not less
22 than three (3) hours.

23 SECTION 143. IC 22-4-18-6 IS AMENDED TO READ AS
24 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6. (a) The department
25 shall develop a uniform system for assessing workforce skills strengths
26 and weaknesses in individuals.

27 (b) The uniform assessment system shall be used at the following:

28 (1) Workforce development centers under IC 22-4-42 if
29 established.

30 (2) Ivy Tech State College under IC 20-12-61.

31 (3) Vocational education (as defined in ~~IC 20-1-18.3-5~~)
32 **IC 22-4.1-10-1** programs at the secondary level.

33 SECTION 144. IC 22-4-24.5-1 IS AMENDED TO READ AS
34 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. (a) The skills 2016
35 training fund is established to do the following:

36 (1) Administer the costs of the skills 2016 training program
37 established by IC 22-4-10.5.

38 (2) Undertake any program or activity that furthers the purposes
39 of IC 22-4-10.5.

40 (3) Refund skills 2016 training assessments erroneously collected
41 and deposited in the fund.

42 (b) Fifty-five percent (55%) of the money in the fund shall be
43 allocated to the state educational institution established under
44 IC 20-12-61. The money so allocated to that state educational
45 institution shall be used as follows:

46 (1) An amount to be determined annually shall be allocated to the



1 state educational institution established under IC 20-12-61 for its
2 costs in administering the training programs described in
3 subsection (a). However, the amount so allocated may not exceed
4 fifteen percent (15%) of the total amount of money allocated
5 under this subsection.

6 (2) After the allocation made under subdivision (1), fifty percent
7 (50%) shall be used to provide training to participants in joint
8 labor and management building trades apprenticeship programs
9 approved by the United States Department of Labor's Bureau of
10 Apprenticeship Training.

11 (3) After the allocation made under subdivision (1), fifty percent
12 (50%) shall be used to provide training to participants in joint
13 labor and management industrial apprenticeship programs
14 approved by the United States Department of Labor's Bureau of
15 Apprenticeship Training.

16 (c) The remainder of the money in the fund shall be allocated as
17 follows:

18 (1) An amount to be determined annually shall be set aside for the
19 payment of refunds from the fund.

20 (2) The remainder of the money in the fund after the allocations
21 provided for in subsection (b) and subdivision (1) shall be
22 allocated to other incumbent worker training programs.

23 (d) The fund shall be administered by the board. However, all
24 disbursements from the fund must be recommended by the incumbent
25 workers training board and approved by the board as required by
26 IC 22-4-18.3-6.

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

31 (f) Money in the fund at the end of a state fiscal year does not revert
32 to the state general fund.

33 (g) The fund consists of the following:

34 (1) Assessments deposited in the fund.

35 (2) Earnings acquired through the use of money belonging to the
36 fund.

37 (3) Money received from the fund from any other source.

38 (4) Interest earned from money in the fund.

39 (5) Interest and penalties collected.

40 (h) All money deposited or paid into the fund is appropriated
41 annually for disbursements authorized by this section.

42 (i) Not later than April 30 each year, the department shall prepare
43 an annual report that shows the amount of unobligated money in the
44 fund on that date.

45 (j) The incumbent workers training board may reallocate the
46 unobligated money shown in the annual report required by subsection



1 (i) in accordance with subsections (b) and (c)(2).

2 (k) Any balance in the fund does not lapse but is available
3 continuously to the department for expenditures consistent with this
4 chapter.

5 SECTION 145. IC 22-4.1-2-2 IS AMENDED TO READ AS
6 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. The department is
7 comprised of the following entities reorganized within the department:

8 (1) The department of employment and training services;
9 including the following:

10 (A) The unemployment insurance board.

11 (B) The unemployment insurance review board.

12 (2) The office of workforce literacy established under
13 ~~IC 20-11-6-6~~; **IC 22-4.1-7-~~??~~**.

14 (3) The Indiana commission on vocational and technical
15 education established under ~~IC 20-1-18-3~~; **IC 22-4.1-10**.

16 (4) The workforce proficiency panel established under
17 ~~IC 20-1-20-2~~; **IC 22-4.1-14-~~??~~**.

18 SECTION 146. IC 22-4.1-4-1 IS AMENDED TO READ AS
19 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. The department may
20 undertake duties identified by the commissioner as related to workforce
21 development initiatives that were required of or authorized to be
22 undertaken before July 1, 1994, by:

23 (1) the department of employment and training services;

24 (2) the office of workforce literacy established under
25 ~~IC 20-11-6-6~~; **IC 22-4.1-7-~~??~~**;

26 (3) the Indiana commission on vocational and technical education
27 established under ~~IC 20-1-18-3~~; **IC 22-4.1-10**; or

28 (4) the workforce proficiency panel established under
29 ~~IC 20-1-20-2~~; **IC 22-4.1-14-~~??~~**.

30 SECTION 147. IC 22-9-1-12.1 IS AMENDED TO READ AS
31 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 12.1. (a) As used in this
32 section, the term "state agency" means every office, officer, board,
33 commission, department, division, bureau, committee, fund, agency,
34 and without limitation by reason of any enumeration in this section,
35 every other instrumentality of the state, every hospital, every penal
36 institution, and every other institutional enterprise and activity of the
37 state, wherever located; the universities supported in whole or in part
38 by state funds; and the judicial department of the state. "State agency"
39 does not mean counties, county offices of family and children, cities,
40 towns, townships, school corporations as defined in ~~IC 20-10-1-1-1~~;
41 **IC 20-18-2-~~??~~**, or other municipal corporations, political
42 subdivisions, or units of local government.

43 (b) Any city, town, or county is hereby authorized to adopt an
44 ordinance or ordinances, which may include establishment or
45 designation of an appropriate local commission, office, or agency to
46 effectuate within its territorial jurisdiction the public policy of the state



1 as declared in section 2 of this chapter without conflict with any of the
 2 provisions of this chapter. Any city or town may adopt such an
 3 ordinance or ordinances jointly with any other city or town located in
 4 the same county or jointly with that county. A city ordinance that
 5 establishes a local commission may provide that the members of the
 6 commission are to be appointed solely by the city executive or solely
 7 by the city legislative body or may provide for a combination of
 8 appointments by the city executive and the city legislative body. The
 9 board of commissioners of each county is also authorized to adopt
 10 ordinances in accordance with this section. An agency established or
 11 designated under this section has no jurisdiction over the state or any
 12 of its agencies.

13 (c) An ordinance adopted under this section may grant to the local
 14 agency the power to:

- 15 (1) investigate, conciliate, and hear complaints;
- 16 (2) subpoena and compel the attendance of witnesses or
 17 production of pertinent documents and records;
- 18 (3) administer oaths;
- 19 (4) examine witnesses;
- 20 (5) appoint hearing examiners or panels;
- 21 (6) make findings and recommendations;
- 22 (7) issue cease and desist orders or orders requiring remedial
 23 action;
- 24 (8) order payment of actual damages, except that damages to be
 25 paid as a result of discriminatory practices relating to employment
 26 shall be limited to lost wages, salaries, commissions, or fringe
 27 benefits;
- 28 (9) institute actions for appropriate legal or equitable relief in a
 29 circuit or superior court;
- 30 (10) employ an executive director and other staff personnel;
- 31 (11) adopt rules and regulations;
- 32 (12) initiate complaints, except that no person who initiates a
 33 complaint may participate as a member of the agency in the
 34 hearing or disposition of the complaint; and
- 35 (13) conduct programs and activities to carry out the public policy
 36 of the state, as provided in section 2 of this chapter, within the
 37 territorial boundaries of a local agency.

38 (d) Any person who files a complaint with any local agency may not
 39 also file a complaint with the civil rights commission concerning any
 40 of the matters alleged in such complaint, and any person who files a
 41 complaint with the civil rights commission may not also file a
 42 complaint with any local agency concerning any of the matters alleged
 43 in such complaint. Any complaint filed with the commission may be
 44 transferred by the commission to any local agency having jurisdiction.
 45 The local agency shall proceed to act on the complaint as if it had been
 46 originally filed with the local agency as of the date that the complaint



1 was filed with the commission. Any complaint filed with a local agency
 2 may be transferred by the local agency to the commission if the
 3 commission has jurisdiction. The commission shall proceed to act on
 4 the complaint as if it had been originally filed with the commission as
 5 of the date that the complaint was filed with the local agency. Nothing
 6 in this subsection shall affect such person's right to pursue any and all
 7 other rights and remedies available in any other state or federal forum.

8 (e) A decision of the local agency may be appealed under the terms
 9 of IC 4-21.5 the same as if it was a decision of a state agency.

10 SECTION 148. IC 22-12-6-7 IS AMENDED TO READ AS
 11 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7. (a) This section does
 12 not apply to a nonpublic school (as defined in ~~IC 20-10.1-1-3~~)
 13 **IC 20-18-2-[??]**) or a school operated by a school corporation (as
 14 defined in ~~IC 20-6.1-1-5~~). **IC 20-??-??-??**).

15 (b) The office of the state fire marshal shall charge an application
 16 fee set by rules adopted by the commission under IC 4-22-2 for
 17 amusement and entertainment permits issued under IC 22-14-3.

18 (c) The office of the state fire marshal shall collect an inspection fee
 19 set by rules adopted by the commission under IC 4-22-2 whenever the
 20 office conducts an inspection for a special event endorsement under
 21 IC 22-14-3.

22 (d) Halls, gymnasiums, or places of assembly in which contests,
 23 drills, exhibitions, plays, displays, dances, concerts, or other types of
 24 amusement are held by colleges, universities, social or fraternal
 25 organizations, lodges, farmers organizations, societies, labor unions,
 26 trade associations, or churches are exempt from the fees charged or
 27 collected under subsections (b) and (c), unless rental fees are charged
 28 or collected.

29 (e) The fees set for applications or inspections under this section
 30 must be sufficient to pay all the direct and indirect costs of processing
 31 an application or performing an inspection for which the fee is set. In
 32 setting the fees, the commission may consider differences in the degree
 33 or complexity of the activity being performed for each fee.

34 SECTION 149. IC 22-14-3-1 IS AMENDED TO READ AS
 35 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. (a) Except as
 36 provided in subsection (c), this chapter does not apply to a nonpublic
 37 school (as defined in ~~IC 20-10.1-1-3~~) **IC 20-18-2-[??]**) or a school
 38 operated by a school corporation (as defined in ~~IC 20-6.1-1-5~~).
 39 **IC 20-18-2-[??]**).

40 (b) The office shall carry out an inspection program to periodically
 41 inspect regulated places of amusement or entertainment. These
 42 inspections shall be conducted at least annually.

43 (c) A school that holds amusement or entertainment events shall be
 44 inspected at least one (1) time each year. The inspection may be
 45 performed by either the office or the fire department that has
 46 jurisdiction over the school.



1 (d) At the time of each annual inspection performed by the office of
 2 the state fire marshal, the office shall provide a fire safety checklist to
 3 each school that holds amusement or entertainment events. Each such
 4 school shall be responsible for ensuring compliance with the items on
 5 the fire safety checklist for each amusement or entertainment event
 6 held at the school.

7 SECTION 150. IC 22-15-5-6 IS AMENDED TO READ AS
 8 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6. (a) The following
 9 definitions apply to sections 7 through 16 of this chapter:

10 (1) "Competency examination" means an examination that
 11 thoroughly tests the scope of the knowledge and skill of the
 12 applicant for the license.

13 (2) "Educational institution" has the meaning set forth in
 14 IC 20-12-0.5-1.

15 (3) "Elevator apprentice" means an individual who works under
 16 the direct supervision of a licensed elevator mechanic. The term
 17 includes an individual commonly known as an elevator helper
 18 while working under the direct supervision of a licensed elevator
 19 mechanic.

20 (4) "Elevator contractor" means a person who alone or with other
 21 persons, constructs, repairs, alters, remodels, adds to, subtracts
 22 from, or improves a regulated lifting device and who is
 23 responsible for substantially all the regulated lifting devices
 24 within the entire project, or who fabricates elevator lifting devices
 25 substantially completed and ready for installation.

26 (5) "Elevator inspector" means an individual who conducts the
 27 acceptance inspection of a regulated lifting device required by
 28 section 4(c)(1)(A) of this chapter.

29 (6) "Elevator mechanic" means an individual who engages in the
 30 construction, reconstruction, alteration, maintenance, mechanical,
 31 or electrical work or adjustments of a regulated lifting device.

32 (7) "License" means a certificate issued by the department that
 33 confers upon the holder the privilege to act as an elevator
 34 contractor, elevator inspector, or elevator mechanic.

35 (8) "Licensing program" means the program for licensing elevator
 36 contractors, elevator inspectors, and elevator mechanics
 37 established under this section and sections 7 through 16 of this
 38 chapter.

39 (9) "Municipality" has the meaning set forth in IC 36-1-2-11.

40 (10) "Person" means:

41 (A) a natural person;

42 (B) the partners or members of a partnership or a limited
 43 partnership;

44 (C) an educational institution; or

45 (D) a corporation or the officers, directors, and employees of
 46 the corporation.



- 1 (11) "Practitioner" means a person that holds:
 2 (A) an unlimited license;
 3 (B) a limited or probationary license;
 4 (C) a temporary license;
 5 (D) an emergency license; or
 6 (E) an inactive license.
- 7 (b) The commission and the department shall establish a program
 8 to license elevator contractors, elevator mechanics, and elevator
 9 inspectors.
- 10 (c) The department shall issue a license as an elevator contractor, an
 11 elevator mechanic, or an elevator inspector to a person who qualifies
 12 and complies with the provisions of the licensing program. A person
 13 who receives a license under this chapter is subject to the supervision
 14 and control of the department.
- 15 (d) The department may contract with public and private
 16 institutions, agencies, businesses, and organizations to implement all
 17 or part of its duties established under this chapter.
- 18 (e) The commission may adopt rules under IC 4-22-2 to implement
 19 the licensing program.
- 20 SECTION 151. IC 25-1-1.2-2 IS AMENDED TO READ AS
 21 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. As used in this
 22 chapter, "board" means an entity that regulates occupations or
 23 professions under this title and the professional standards board as
 24 established by ~~IC 20-1-1-4~~; **IC 20-28-2**.
- 25 SECTION 152. IC 25-17.6-1-8 IS AMENDED TO READ AS
 26 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 8. "State geologist"
 27 means the person in charge of the Indiana geological survey established
 28 by IC 20-12-28.
- 29 SECTION 153. IC 25-17.6-1-9 IS AMENDED TO READ AS
 30 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 9. "Survey" refers to
 31 the Indiana geological survey established by IC 20-12-28.
- 32 SECTION 154. IC 25-20-1-3 IS AMENDED TO READ AS
 33 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. The board shall issue
 34 a hearing aid dealer certificate of registration to any person who makes
 35 application on forms provided by the board if the board has determined
 36 to its satisfaction that the applicant:
 37 (1) is eighteen (18) years of age or older;
 38 (2) if the applicant applies after June 29, 1992:
 39 (A) is a high school graduate; or
 40 (B) has a:
 41 (i) high school equivalency certificate; or
 42 (ii) state of Indiana general educational development (GED)
 43 diploma issued under ~~IC 20-10-1-12-1~~; **IC 20-20-6**;
 44 (3) has not been convicted of:
 45 (A) an act which would constitute a ground for disciplinary
 46 sanction under IC 25-1-9; or



- 1 (B) a crime that has a direct bearing on the applicant's ability
 2 to practice competently;
 3 (4) has passed the examination prepared by the committee and
 4 given by the board to determine that the applicant has the
 5 qualifications to properly fit hearing aids; and
 6 (5) held a student hearing aid dealer certificate of registration
 7 issued under section 5 of this chapter at the time the applicant
 8 applied for a hearing aid dealer certificate of registration.

9 SECTION 155. IC 25-20.5-1-7 IS AMENDED TO READ AS
 10 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7. (a) There is created
 11 a six (6) member Indiana hypnotist committee to assist the board in
 12 carrying out this chapter regarding the qualifications and examinations
 13 of hypnotists. The committee is comprised of:

- 14 (1) three (3) hypnotists;
 15 (2) one (1) physician licensed under IC 25-22.5;
 16 (3) one (1) licensed psychologist who has received a health
 17 service provider endorsement under IC 25-33-1-5.1; and
 18 (4) one (1) individual who is a resident of Indiana and who is not
 19 associated with hypnotism in any way, other than as a consumer.

20 (b) The governor shall make each appointment for a term of three
 21 (3) years. Each hypnotist appointed must:

- 22 (1) be a certified hypnotist for at least one (1) year under this
 23 chapter;
 24 (2) have at least five hundred (500) supervised classroom hours
 25 of hypnotism education from a school that is approved by the
 26 Indiana commission on proprietary education under ~~IC 20-1-19~~
 27 **IC 20-12-76** or by any other state that has requirements as
 28 stringent as required in Indiana;
 29 (3) have at least one (1) year of experience in the actual practice
 30 of hypnotism immediately preceding appointment; and
 31 (4) be a resident of Indiana and actively engaged in the practice
 32 of hypnotism while a member of the committee.

33 (c) Not more than three (3) members of the committee may be from
 34 the same political party. A member of the committee is not required to
 35 be a member of a professional hypnosis association. However, no two
 36 (2) hypnotist members appointed to the committee may belong to the
 37 same professional hypnosis association.

38 (d) A member of the committee may be removed for cause by the
 39 governor.

40 (e) The board shall appoint a chairman from among the members of
 41 the committee.

42 SECTION 156. IC 25-20.5-1-11 IS AMENDED TO READ AS
 43 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 11. (a) An individual
 44 who applies for a certificate as a hypnotist must do the following:

- 45 (1) Present satisfactory evidence to the committee that the
 46 individual:



1 (A) does not have a conviction for a crime that has a direct
 2 bearing on the individual's ability to practice competently;
 3 (B) has not been the subject of a disciplinary action by a
 4 licensing or certification agency of another state or jurisdiction
 5 on the grounds that the individual was not able to practice as
 6 a hypnotist without endangering the public; and
 7 (C) has at least five hundred (500) classroom hours of
 8 hypnotism education from an Indiana school or program of
 9 hypnotism that is approved by the Indiana commission on
 10 proprietary education (referred to as "the commission" in this
 11 clause) under ~~IC 20-1-19~~ **IC 20-12-76** or from any other state
 12 approved school or program that is found by the commission
 13 to have requirements as stringent as necessary for the
 14 commission's approval of an Indiana school or program of
 15 hypnotism. A classroom hour may not be less than a fifty (50)
 16 minute period of instruction with both the instructor and
 17 student in attendance. Classroom instruction does not include
 18 video tape correspondence courses or other forms of electronic
 19 presentation.

20 (2) Pay the fee established by the board.
 21 (b) An individual may not enroll in a school or program of
 22 hypnotism to satisfy the requirement under subsection (a)(1)(C) unless
 23 the individual:

24 (1) is at least eighteen (18) years of age; and
 25 (2) has graduated from high school or received a:
 26 (A) high school equivalency certificate; or
 27 (B) state of Indiana general education development (GED)
 28 diploma under ~~IC 20-10-1-12.1~~ **IC 20-20-6**.

29 SECTION 157. IC 25-20.5-1-16 IS AMENDED TO READ AS
 30 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 16. The committee
 31 shall issue a certificate to an individual who:

32 (1) pays a fee;
 33 (2) achieves a passing score, as determined by the committee, on
 34 the examination provided under section 15 of this chapter;
 35 (3) has at least:
 36 (A) graduated from high school;
 37 (B) a high school equivalency certificate; or
 38 (C) a state of Indiana general education developmental (GED)
 39 diploma under ~~IC 20-10-1-12.1~~ **IC 20-20-6**; and
 40 (4) is otherwise qualified under this chapter.

41 SECTION 158. IC 25-33-1-3 IS AMENDED TO READ AS
 42 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. (a) There is created
 43 a board to be known as the "state psychology board". The board shall
 44 consist of seven (7) members appointed by the governor. Six (6) of the
 45 board members shall be licensed under this article and shall have had
 46 at least five (5) years of experience as a professional psychologist prior



1 to their appointment. The seventh member shall be appointed to
2 represent the general public, must be a resident of this state, must never
3 have been credentialed in a mental health profession, and must in no
4 way be associated with the profession of psychology other than as a
5 consumer. All members shall be appointed for a term of three (3) years.
6 All members may serve until their successors are duly appointed and
7 qualified. A vacancy occurring on the board shall be filled by the
8 governor by appointment. The member so appointed shall serve for the
9 unexpired term of the vacating member. Each member of the board is
10 entitled to the minimum salary per diem provided by IC 4-10-11-2.1(b).
11 Such a member is also entitled to reimbursement for traveling expenses
12 and other expenses actually incurred in connection with the member's
13 duties, as provided in the state travel policies and procedures
14 established by the department of administration and approved by the
15 state budget agency.

16 (b) The members of the board shall organize by the election of a
17 chairman and a vice chairman from among its membership. Such
18 officers shall serve for a term of one (1) year. The board shall meet at
19 least once in each calendar year and on such other occasions as it
20 considers necessary and advisable. A meeting of the board may be
21 called by its chairman or by a majority of the members on the board.
22 Four (4) members of the board constitute a quorum. A majority of the
23 quorum may transact business.

24 (c) The board is empowered to do the following:

25 (1) Establish reasonable application, examination, and renewal
26 procedures and set fees for licensure under this article. However,
27 no fee collected under this article shall, under any circumstances,
28 be refunded.

29 (2) Adopt and enforce rules concerning assessment of costs in
30 disciplinary proceedings before the board.

31 (3) Establish examinations of applicants for licensure under this
32 article and issue, deny, suspend, revoke, and renew licenses.

33 (4) Subject to IC 25-1-7, investigate and conduct hearings, upon
34 complaint against individuals licensed or not licensed under this
35 article, concerning alleged violation of this article, under
36 procedures conducted in accordance with IC 4-21.5.

37 (5) Initiate the prosecution and enjoinder of any person violating
38 this article.

39 (6) Adopt rules which are necessary for the proper performance
40 of its duties, in accordance with IC 4-22-2.

41 (7) Establish a code of professional conduct.

42 (d) The board shall adopt rules establishing standards for the
43 competent practice of psychology.

44 (e) All expenses incurred in the administration of this article shall
45 be paid from the general fund upon appropriation being made in the
46 manner provided by law for the making of such appropriations.



- 1 (f) The bureau shall do the following:
- 2 (1) Carry out the administrative functions of the board.
- 3 (2) Provide necessary personnel to carry out the duties of this
- 4 article.
- 5 (3) Receive and account for all fees required under this article.
- 6 (4) Deposit fees collected with the treasurer of the state for
- 7 deposit in the state general fund.
- 8 (g) The board shall adopt rules under IC 4-22-2 to establish,
- 9 maintain, and update a list of restricted psychology tests and
- 10 instruments (as defined in section 14(b) of this chapter) containing
- 11 those psychology tests and instruments that, because of their design or
- 12 complexity, create a danger to the public by being improperly
- 13 administered and interpreted by an individual other than:
- 14 (1) a psychologist licensed under IC 25-33-1-5.1;
- 15 (2) an appropriately trained mental health provider under the
- 16 direct supervision of a health service provider endorsed under
- 17 IC 25-33-1-5.1(c);
- 18 (3) a qualified physician licensed under IC 25-22.5;
- 19 (4) a school psychologist who holds a valid:
- 20 (A) license issued by the professional standards board under
- 21 ~~IC 20-1-1.4-2~~; **IC 20-28-2-1**; or
- 22 (B) endorsement under ~~IC 20-1-1.9~~; **IC 20-28-12**;
- 23 practicing within the scope of the school psychologist's license or
- 24 endorsement; or
- 25 (5) a minister, priest, rabbi, or other member of the clergy
- 26 providing pastoral counseling or other assistance.
- 27 (h) The board shall provide to:
- 28 (1) the social work certification and marriage and family
- 29 therapists credentialing board; and
- 30 (2) any other interested party upon receiving the request of the
- 31 interested party;
- 32 a list of the names of tests and instruments proposed for inclusion on
- 33 the list of restricted psychological tests and instruments under
- 34 subsection (g) at least sixty (60) days before publishing notice of intent
- 35 under IC 4-22-2-23 to adopt a rule regarding restricted tests and
- 36 instruments.
- 37 (i) The social work certification and marriage and family therapists
- 38 credentialing board and any other interested party that receives the list
- 39 under subsection (h) may offer written comments or objections
- 40 regarding a test or instrument proposed for inclusion on the list of
- 41 restricted tests and instruments within sixty (60) days after receiving
- 42 the list. If:
- 43 (1) the comments or objections provide evidence indicating that
- 44 a proposed test or instrument does not meet the criteria
- 45 established for restricted tests and instruments, the board may
- 46 delete that test from the list of restricted tests; and



1 (2) the board determines that a proposed test or instrument meets
 2 the criteria for restriction after reviewing objections to the test or
 3 instrument, the board shall respond in writing to justify its
 4 decision to include the proposed test or instrument on the list of
 5 restricted tests and instruments.

6 (j) This section may not be interpreted to prevent a licensed or
 7 certified health care professional from practicing within the scope of
 8 the health care professional's:

- 9 (1) license or certification; and
 10 (2) training or credentials.

11 SECTION 159. IC 25-33-1-14 IS AMENDED TO READ AS
 12 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 14. (a) This section
 13 does not apply to an individual who is:

- 14 (1) a member of a teaching faculty, at a public or private
 15 institution of higher learning for the purpose of teaching,
 16 research, or the exchange or dissemination of information and
 17 ideas as an assigned duty of the institution;
 18 (2) a commissioned psychology officer in the regular United
 19 States armed services;
 20 (3) licensed by the professional standards board (established by
 21 ~~IC 20-1-1.4-2~~ **IC 20-28-2-1**) as a school psychologist and using
 22 the title "school psychologist" or "school psychometrist" as an
 23 employee of a school corporation; or
 24 (4) endorsed as an independent practice school psychologist
 25 under ~~IC 20-1-1.9~~ **IC 20-28-12**.

26 (b) As used in this section, "restricted psychology test or
 27 instrument" means a measurement instrument or device used for
 28 treatment planning, diagnosing, or classifying intelligence, mental and
 29 emotional disorders and disabilities, disorders of personality, or
 30 neuropsychological, neurocognitive, or cognitive functioning. The term
 31 does not apply to an educational instrument used in a school setting to
 32 assess educational progress or an appraisal instrument.

33 (c) It is unlawful for an individual to:

- 34 (1) claim that the individual is a psychologist; or
 35 (2) use any title which uses the word "psychologist", "clinical
 36 psychologist", "Indiana endorsed school psychologist" or
 37 "psychometrist", or any variant of these words, such as
 38 "psychology", or "psychological", or "psychologic";

39 unless that individual holds a valid license issued under this article or
 40 a valid endorsement issued under ~~IC 20-1-1.9~~ **IC 20-28-12**.

41 (d) It is unlawful for any individual, regardless of title, to render, or
 42 offer to render, psychological services to individuals, organizations, or
 43 to the public, unless the individual holds a valid license issued under
 44 this article or a valid endorsement issued under ~~IC 20-1-1.9~~
 45 **IC 20-28-12** or is exempted under section 1.1 of this chapter.

46 (e) It is unlawful for an individual, other than:



1 (1) a psychologist licensed under IC 25-33-1-5.1;
 2 (2) an appropriately trained mental health provider under the
 3 direct supervision of a health service provider endorsed under
 4 IC 25-33-1-5.1(c);

5 (3) a qualified physician licensed under IC 25-22.5;

6 (4) a school psychologist who holds a valid:

7 (A) license issued by the professional standards board under
 8 ~~IC 20-1-1-4-2~~; **IC 20-28-2-1**; or

9 (B) endorsement under ~~IC 20-1-1-9~~; **IC 20-28-12**;
 10 who practices within the scope of the school psychologist's
 11 license or endorsement; or

12 (5) a minister, priest, rabbi, or other member of the clergy
 13 providing pastoral counseling or other assistance;

14 to administer or interpret a restricted psychology test or instrument as
 15 established by the board under IC 25-33-1-3(g) in the course of
 16 rendering psychological services to individuals, organizations, or to the
 17 public.

18 (f) This section may not be interpreted to prevent a licensed or
 19 certified health care professional from practicing within the scope of
 20 the health care professional's:

21 (1) license or certification; and

22 (2) training or credentials.

23 SECTION 160. IC 31-9-2-75 IS AMENDED TO READ AS
 24 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 75. "Legal settlement",
 25 for purposes of IC 31-34-20-5, IC 31-34-21-10, IC 31-37-19-26, and
 26 IC 31-37-20-6, has the meaning set forth in IC 20-8.1-1-7.1.

27 SECTION 161. IC 31-9-2-80 IS AMENDED TO READ AS
 28 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 80. "Member agency",
 29 for purposes of IC 31-38, means:

30 (1) a county office of family and children;

31 (2) a school corporation (as defined in ~~IC 20-5-1-3(a)~~);
 32 **IC 20-18-2[??]**);

33 (3) a community mental health center (as defined in
 34 IC 12-7-2-38); or

35 (4) a managed care provider (as defined in IC 12-7-2-127(b));

36 that is represented on a local coordinating committee by a voting
 37 member.

38 SECTION 162. IC 31-9-2-113.5 IS AMENDED TO READ AS
 39 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 113.5. "School", for
 40 purposes of IC 31-39-2-13.8, means a:

41 (1) public school (including a charter school as defined in
 42 ~~IC 20-5-5-1-4~~); **IC 20-24-1-4**); or

43 (2) nonpublic school (as defined in ~~IC 20-10.1-1-3~~);
 44 **IC 20-18-2[??]**);

45 that must comply with the education records privacy provisions of the
 46 **federal** Family Educational Rights and Privacy Act (20 U.S.C. 1232g)



1 to be eligible to receive designated federal education funding.

2 SECTION 163. IC 31-19-8-3 IS AMENDED TO READ AS
3 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. (a) The division of
4 family and children shall annually compile a list of:

- 5 (1) licensed child placing agencies; and
6 (2) county offices of family and children;

7 that conduct the inspection and supervision required for adoption of a
8 child by IC 31-19-7-1 and section 1 of this chapter.

9 (b) The list of licensed child placing agencies and county offices of
10 family and children must include a description of the following:

- 11 (1) Fees charged by each agency and county office of family and
12 children.
13 (2) Geographic area served by each agency and county office of
14 family and children.
15 (3) Approximate waiting period for the inspection or supervision
16 by each agency and county office of family and children.
17 (4) Other relevant information regarding the inspection and
18 supervision provided by an agency or a county office of family
19 and children under IC 31-19-7-1 and section 1 of this chapter.

20 (c) The division of family and children shall do the following:

- 21 (1) Maintain in its office sufficient copies of the list compiled
22 under this section for distribution to individuals who request a
23 copy.
24 (2) Provide the following persons with sufficient copies of the list
25 prepared under this section for distribution to individuals who
26 request a copy:

27 (A) Each clerk of a court having probate jurisdiction in a
28 county.

29 (B) Each county office of family and children.

- 30 (3) Provide a copy of the list to each public library organized
31 under ~~IC 20-14~~; **IC 36-12**.

32 (d) The division of family and children and each:

- 33 (1) county office of family and children;
34 (2) clerk of a court having probate jurisdiction in a county; and
35 (3) public library organized under ~~IC 20-14~~; **IC 36-12**;

36 shall make the list compiled under this section available for public
37 inspection.

38 SECTION 164. IC 31-30-1-3 IS AMENDED TO READ AS
39 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. A juvenile court has
40 concurrent original jurisdiction in cases involving adults charged with
41 the crime of:

- 42 (1) neglect of a dependent (IC 35-46-1-4);
43 (2) contributing to delinquency (IC 35-46-1-8);
44 (3) violating the compulsory school attendance law (IC 20-8.1-3);
45 (4) criminal confinement of a child (IC 35-42-3-3); or
46 (5) interference with custody (IC 35-42-3-4).



1 SECTION 165. IC 31-34-1-7 IS AMENDED TO READ AS
 2 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7. A child is a child in
 3 need of services if before the child becomes eighteen (18) years of age:

- 4 (1) the child's parent, guardian, or custodian fails to participate in
 5 a disciplinary proceeding in connection with the student's
 6 improper behavior, as provided for by ~~IC 20-8.1-5.1-19~~;
 7 **IC 20-33-8-19**, if the behavior of the student has been repeatedly
 8 disruptive in the school; and
 9 (2) the child needs care, treatment, or rehabilitation that: ~~the~~
 10 ~~child:~~

11 (A) **the child** is not receiving; and

12 (B) is unlikely to be provided or accepted without the coercive
 13 intervention of the court.

14 SECTION 166. IC 31-34-18-1.2 IS AMENDED TO READ AS
 15 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1.2. If a child in need
 16 of services is known to be eligible for special education services or
 17 placement under ~~IC 20-1-6~~ **IC 20-35** and 511 IAC 7, the conference
 18 described in section 1.1 of this chapter must include a representative
 19 from the child's school.

20 SECTION 167. IC 31-34-20-5 IS AMENDED TO READ AS
 21 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. (a) This section
 22 applies if a juvenile court:

- 23 (1) places a child;
 24 (2) changes the placement of a child; or
 25 (3) reviews the implementation of a decree under IC 31-34-21 of
 26 a child placed;

27 in a state licensed private or public health care facility, child care
 28 facility, or foster family home.

29 (b) The juvenile court shall do the following:

- 30 (1) Make findings of fact concerning the legal settlement of the
 31 child.
 32 (2) Apply ~~IC 20-8.1-6.1-1(a)(1)~~ **IC 20-26-11-1(a)(1)** through
 33 ~~IC 20-8.1-6.1-1(a)(7)~~ **IC 20-26-11-1(a)(7)** to determine where the
 34 child has legal settlement.
 35 (3) Include the findings of fact required by this section in:
 36 (A) the dispositional order;
 37 (B) the modification order; or
 38 (C) the other decree;

39 making or changing the placement of the child.

40 (c) The juvenile court shall comply with the reporting requirements
 41 under ~~IC 20-8.1-6.1-5.5~~ **IC 20-26-11-6** [**QUERY: 20-8.1-6.1-5.5 IS**
 42 **ALSO IN IC 20-33-4-9. WHICH IS THE BETTER**
 43 **PLACEMENT?**] concerning the legal settlement of the child.

44 SECTION 168. IC 31-34-20-6 IS AMENDED TO READ AS
 45 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6. (a) The juvenile
 46 court may emancipate a child under section 1(5) of this chapter if the



- 1 court finds that the child:
- 2 (1) wishes to be free from parental control and protection and no
- 3 longer needs that control and protection;
- 4 (2) has sufficient money for the child's own support;
- 5 (3) understands the consequences of being free from parental
- 6 control and protection; and
- 7 (4) has an acceptable plan for independent living.
- 8 (b) If the juvenile court partially or completely emancipates the
- 9 child, the court shall specify the terms of the emancipation, which may
- 10 include the following:
- 11 (1) Suspension of the parent's or guardian's duty to support the
- 12 child. In this case the judgment of emancipation supersedes the
- 13 support order of a court.
- 14 (2) Suspension of the following:
- 15 (A) The parent's or guardian's right to the control or custody of
- 16 the child.
- 17 (B) The parent's right to the child's earnings.
- 18 (3) Empowering the child to consent to marriage.
- 19 (4) Empowering the child to consent to military enlistment.
- 20 (5) Empowering the child to consent to:
- 21 (A) medical;
- 22 (B) psychological;
- 23 (C) psychiatric;
- 24 (D) educational; or
- 25 (E) social;
- 26 services.
- 27 (6) Empowering the child to contract.
- 28 (7) Empowering the child to own property.
- 29 (c) An emancipated child remains subject to the following:
- 30 (1) ~~IC 20-8-1-3~~ **IC 20-33-2** concerning compulsory school
- 31 attendance.
- 32 (2) The continuing jurisdiction of the court.
- 33 SECTION 169. IC 31-34-21-10 IS AMENDED TO READ AS
- 34 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 10. (a) This section
- 35 applies when a juvenile court reviews the implementation of a decree
- 36 under this chapter or any other law concerning a child placed in a state
- 37 licensed private or public health care facility, child care facility, or
- 38 foster family home.
- 39 (b) The juvenile court shall review the court's findings under
- 40 IC 31-34-20-5 and determine whether circumstances have changed the
- 41 legal settlement of the child.
- 42 (c) If the child's legal settlement has changed, the court shall issue
- 43 an order that modifies the court's findings of fact concerning the legal
- 44 settlement of the child.
- 45 (d) If the court has not previously made findings of fact concerning
- 46 legal settlement as provided in IC 31-34-20-5, the court shall make the



1 appropriate findings in its order entered under this chapter.

2 (e) The juvenile court shall comply with the reporting requirements
 3 under ~~IC 20-8.1-6.1-5.5~~ **IC 20-26-11-6 [QUERY: 20-8.1-6.1-5.5 IS**
 4 **ALSO IN IC 20-33-4-9. WHICH IS THE BETTER**
 5 **PLACEMENT?]** concerning the legal settlement of the child.

6 SECTION 170. IC 31-34-24-8 IS AMENDED TO READ AS
 7 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 8. In preparing the
 8 plan, the team shall review and consider existing publicly and privately
 9 funded programs that are available or that could be made available in
 10 the county to provide supportive services to or for the benefit of
 11 children described in section 3 of this chapter without removing the
 12 child from the family home, including programs funded through the
 13 following:

- 14 (1) Title IV-B of the Social Security Act (42 U.S.C. 620 et seq.).
- 15 (2) Title IV-E of the Social Security Act (42 U.S.C. 670 et seq.).
- 16 (3) Title XX of the Social Security Act (42 U.S.C. 1397 et seq.).
- 17 (4) The Child Abuse Prevention and Treatment Act (42 U.S.C.
- 18 5106 et seq.).
- 19 (5) Community corrections programs under IC 11-12.
- 20 (6) Special education programs under ~~IC 20-1-6-19~~
- 21 **IC 20-35-6-19.**
- 22 (7) All programs designed to prevent child abuse, neglect, or
- 23 delinquency, or to enhance child welfare and family preservation
- 24 administered by, or through funding provided by, the division of
- 25 family and children, county offices, prosecutors, or juvenile
- 26 courts, including programs funded under IC 12-19-7 and
- 27 IC 31-40.
- 28 (8) Probation user's fees under IC 31-40-2-1.
- 29 (9) Child advocacy fund under IC 12-17-17.

30 SECTION 171. IC 31-37-2-3 IS AMENDED TO READ AS
 31 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. A child commits a
 32 delinquent act if, before becoming eighteen (18) years of age, the child
 33 violates ~~IC 20-8.1-3~~ **IC 20-33-2** concerning compulsory school
 34 attendance.

35 SECTION 172. IC 31-37-17-1.2 IS AMENDED TO READ AS
 36 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1.2. If a delinquent
 37 child is known to be eligible for special education services or
 38 placement under ~~IC 20-1-6~~ **IC 20-35-2** and 511 IAC 7, the conference
 39 described in section 1.1 of this chapter must include a representative
 40 from the child's school.

41 SECTION 173. IC 31-37-19-26 IS AMENDED TO READ AS
 42 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 26. (a) This section
 43 applies if a juvenile court:

- 44 (1) places a child;
- 45 (2) changes the placement of a child; or
- 46 (3) reviews the implementation of a decree under IC 31-37-20 (or



1 IC 31-6-4-19 before its repeal) of a child placed;
 2 in a state licensed private or public health care facility, child care
 3 facility, or foster family home.

4 (b) The juvenile court shall do the following:

5 (1) Make findings of fact concerning the legal settlement of the
 6 child.

7 (2) Apply ~~IC 20-8.1-6.1-1(a)(1)~~ **IC 20-26-11-1(a)(1)** through
 8 ~~IC 20-8.1-6.1-1(a)(7)~~ **IC 20-26-11-6** [**QUERY: IC 20-8.1-6.1-1**
 9 **IS ALSO IN IC 20-33-6-3. WHICH IS THE BETTER**
 10 **PLACEMENT?**] to determine where the child has legal
 11 settlement.

12 (3) Include the findings of fact required by this section in the:

13 (A) dispositional order;

14 (B) modification order; or

15 (C) other decree;

16 making or changing the placement of the child.

17 (c) The juvenile court shall comply with the reporting requirements
 18 under ~~IC 20-8.1-6.1-5.5~~ **IC 20-26-11-6** [**QUERY: IC 20-8.1-6.1-1 IS**
 19 **ALSO IN IC 20-33-6-3. WHICH IS THE BETTER**
 20 **PLACEMENT?**] concerning the legal settlement of the child.

21 SECTION 174. IC 31-37-19-27 IS AMENDED TO READ AS
 22 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 27. (a) The juvenile
 23 court may emancipate a child under section 1(5) or 5(b)(5) of this
 24 chapter if the court finds that the child:

25 (1) wishes to be free from parental control and protection and no
 26 longer needs that control and protection;

27 (2) has sufficient money for the child's own support;

28 (3) understands the consequences of being free from parental
 29 control and protection; and

30 (4) has an acceptable plan for independent living.

31 (b) Whenever the juvenile court partially or completely emancipates
 32 the child, the court shall specify the terms of the emancipation, which
 33 may include the following:

34 (1) Suspension of the parent's or guardian's duty to support the
 35 child. In this case the judgment of emancipation supersedes the
 36 support order of a court.

37 (2) Suspension of:

38 (A) the parent's or guardian's right to the control or custody of
 39 the child; and

40 (B) the parent's right to the child's earnings.

41 (3) Empowering the child to consent to marriage.

42 (4) Empowering the child to consent to military enlistment.

43 (5) Empowering the child to consent to:

44 (A) medical;

45 (B) psychological;

46 (C) psychiatric;



- 1 (D) educational; or
 2 (E) social;
 3 services.
 4 (6) Empowering the child to contract.
 5 (7) Empowering the child to own property.
 6 (c) An emancipated child remains subject to:
 7 (1) ~~IC 20-8-1-3~~ **IC 20-33-2** concerning compulsory school
 8 attendance; and
 9 (2) the continuing jurisdiction of the court.

10 SECTION 175. IC 31-37-20-6 IS AMENDED TO READ AS
 11 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6. (a) This section
 12 applies if a juvenile court reviews the implementation of a decree under
 13 this chapter (or IC 31-6-4-19 before its repeal) or any other law
 14 concerning a child placed in a state licensed private or public health
 15 care facility, child care facility, or foster family home.

16 (b) The juvenile court shall review the court's findings under
 17 IC 31-37-19-26 (or IC 31-6-4-18.5(b) before its repeal) and determine
 18 whether circumstances have changed the legal settlement of the child.

19 (c) If the child's legal settlement has changed, the court shall issue
 20 an order that modifies the court's findings of fact concerning the legal
 21 settlement of the child.

22 (d) If the court has not previously made findings of fact concerning
 23 legal settlement as provided in IC 31-37-19-26 the court shall make the
 24 appropriate findings in the court's order entered under this chapter.

25 (e) The juvenile court shall comply with the reporting requirements
 26 under ~~IC 20-8-1-6.1-5.5~~ **IC 20-26-11-6** [QUERY: **IC 20-8.1-6.1-1 IS**
 27 **ALSO IN IC 20-33-6-3. WHICH IS THE BETTER**
 28 **PLACEMENT?**] concerning the legal settlement of the child.

29 SECTION 176. IC 31-37-22-6 IS AMENDED TO READ AS
 30 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6. If:

- 31 (1) a child fails to comply with ~~IC 20-8-1-3~~ **IC 20-33-2**
 32 concerning compulsory school attendance as part of a court order
 33 with respect to a delinquent act under IC 31-37-2-3 (or
 34 IC 31-6-4-1(a)(3) before its repeal);
 35 (2) the child received a written warning of the consequences of a
 36 violation of the court order;
 37 (3) the issuance of the warning was reflected in the records of the
 38 hearing;
 39 (4) the child is not held in a juvenile detention facility for more
 40 than twenty-four (24) hours, excluding Saturdays, Sundays, and
 41 legal holidays, before the hearing at which it is determined that
 42 the child violated that part of the order concerning the child's
 43 school attendance; and
 44 (5) the child's mental and physical condition may be endangered
 45 if the child is not placed in a secure facility;
 46 the juvenile court may modify its disposition order with respect to the



1 delinquent act and place the child in a public or private facility for
2 children under section 7 of this chapter.

3 SECTION 177. IC 31-37-24-8 IS AMENDED TO READ AS
4 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 8. In preparing the
5 plan, the team shall review and consider existing publicly and privately
6 funded programs that are available or that could be made available in
7 the county to provide supportive services to or for the benefit of
8 children described in section 3 of this chapter without removing the
9 child from the family home, including programs funded through the
10 following:

- 11 (1) Title IV-B of the Social Security Act (42 U.S.C. 620 et seq.).
- 12 (2) Title IV-E of the Social Security Act (42 U.S.C. 670 et seq.).
- 13 (3) Title XX of the Social Security Act (42 U.S.C. 1397 et seq.).
- 14 (4) The Child Abuse Prevention and Treatment Act (42 U.S.C.
15 5106 et seq.).
- 16 (5) Community corrections programs under IC 11-12.
- 17 (6) Special education programs under ~~IC 20-1-6-19~~
18 **IC 20-35-6-19**.
- 19 (7) All programs designed to prevent child abuse, neglect, or
20 delinquency, or to enhance child welfare and family preservation
21 administered by, or through funding provided by, the division of
22 family and children, county offices, prosecutors, or juvenile
23 courts, including programs funded under IC 12-19-7 and
24 IC 31-40.
- 25 (8) Probation user's fees under IC 31-40-2-1.
- 26 (9) The child advocacy fund under IC 12-17-17.

27 SECTION 178. IC 33-28-4-8 IS AMENDED TO READ AS
28 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 8. (a) A person shall be
29 excused from acting as a juror if the person:

- 30 (1) is at least sixty-five (65) years of age;
- 31 (2) is a member in active service of the armed forces of the United
32 States;
- 33 (3) is an elected or appointed official of the executive, legislative,
34 or judicial branches of government of:
35 (A) the United States;
- 36 (B) Indiana; or
- 37 (C) a unit of local government;
- 38 who is actively engaged in the performance of the person's official
39 duties;
- 40 (4) is a member of the general assembly who makes the request
41 to be excused before being sworn as a juror;
- 42 (5) is an honorary military staff officer appointed by the governor
43 under IC 10-16-2-5;
- 44 (6) is an officer or enlisted person of the guard reserve forces
45 authorized by the governor under IC 10-16-8;
- 46 (7) is a veterinarian licensed under IC 15-5-1.1;



- 1 (8) is serving as a member of the board of school commissioners
 2 of the city of Indianapolis under ~~IC 20-3-11-2~~; **IC 20-25-3-3**;
 3 (9) is a dentist licensed under IC 25-14-1;
 4 (10) is a member of a police or fire department or company under
 5 IC 36-8-3 or IC 36-8-12; or
 6 (11) would serve as a juror during a criminal trial and the person
 7 is:
- 8 (A) an employee of the department of correction whose duties
 9 require contact with inmates confined in a department of
 10 correction facility; or
 11 (B) the spouse or child of a person described in clause (A);
 12 and desires to be excused for that reason.
- 13 (b) A prospective juror is disqualified to serve on a jury if any of the
 14 following conditions exist:
- 15 (1) The person is not a citizen of the United States, at least
 16 eighteen (18) years of age, and a resident of the county.
 17 (2) The person is unable to read, speak, and understand the
 18 English language with a degree of proficiency sufficient to fill out
 19 satisfactorily a juror qualification form.
 20 (3) The person is incapable of rendering satisfactory jury service
 21 due to physical or mental disability. However, a person claiming
 22 this disqualification may be required to submit a physician's or
 23 authorized Christian Science practitioner's certificate confirming
 24 the disability, and the certifying physician or practitioner is then
 25 subject to inquiry by the court at the court's discretion.
 26 (4) The person is under a sentence imposed for an offense.
 27 (5) A guardian has been appointed for the person under IC 29-3
 28 because the person has a mental incapacity.
 29 (6) The person has had rights revoked by reason of a felony
 30 conviction and the rights have not been restored.
- 31 (c) A person may not serve as a petit juror in any county if the
 32 person served as a petit juror in the same county within the previous
 33 three hundred sixty-five (365) days. The fact that a person's selection
 34 as a juror would violate this subsection is sufficient cause for
 35 challenge.
- 36 (d) A grand jury, a petit jury, or an individual juror drawn for
 37 service in one (1) court may serve in another court of the county, in
 38 accordance with orders entered on the record in each of the courts.
- 39 (e) The same petit jurors may be used in civil cases and in criminal
 40 cases.
- 41 (f) A person may not be excluded from jury service on account of
 42 race, color, religion, sex, national origin, or economic status.
- 43 (g) Notwithstanding IC 35-47-2, IC 35-47-2.5, or the restoration of
 44 the right to serve on a jury under this section and except as provided in
 45 subsections ~~(c)~~, **(h)**, ~~(d)~~, **(i)**, and (l), a person who has been convicted
 46 of a crime of domestic violence (as defined in IC 35-41-1-6.3) may not



- 1 possess a firearm:
- 2 (1) after the person is no longer under a sentence imposed for an
- 3 offense; or
- 4 (2) after the person has had the person's rights restored following
- 5 a conviction.
- 6 (h) Not earlier than five (5) years after the date of conviction, a
- 7 person who has been convicted of a crime of domestic violence (as
- 8 defined in IC 35-41-1-6.3) may petition the court for restoration of the
- 9 person's right to possess a firearm. In determining whether to restore
- 10 the person's right to possess a firearm, the court shall consider the
- 11 following factors:
- 12 (1) Whether the person has been subject to:
- 13 (A) a protective order;
- 14 (B) a no contact order;
- 15 (C) a workplace violence restraining order; or
- 16 (D) any other court order that prohibits the person from
- 17 possessing a firearm.
- 18 (2) Whether the person has successfully completed a substance
- 19 abuse program, if applicable.
- 20 (3) Whether the person has successfully completed a parenting
- 21 class, if applicable.
- 22 (4) Whether the person still presents a threat to the victim of the
- 23 crime.
- 24 (5) Whether there is any other reason why the person should not
- 25 possess a firearm, including whether the person failed to complete
- 26 a specified condition under subsection (i) or whether the person
- 27 has committed a subsequent offense.
- 28 (i) The court may condition the restoration of a person's right to
- 29 possess a firearm upon the person's completion of specified conditions.
- 30 (j) If the court denies a petition for restoration of the right to possess
- 31 a firearm, the person may not file a second or subsequent petition until
- 32 one (1) year has elapsed.
- 33 (k) A person has not been convicted of a crime of domestic violence
- 34 for purposes of subsection (h) if the conviction has been expunged or
- 35 if the person has been pardoned.
- 36 (l) The right to possess a firearm shall be restored to a person whose
- 37 conviction is reversed on appeal or on post-conviction review at the
- 38 earlier of the following:
- 39 (1) At the time the prosecuting attorney states on the record that
- 40 the charges that gave rise to the conviction will not be refiled.
- 41 (2) Ninety (90) days after the final disposition of the appeal or the
- 42 post-conviction proceeding.
- 43 SECTION 179. IC 33-33-53-5 IS AMENDED TO READ AS
- 44 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. In accordance with
- 45 rules adopted by the judges of the court under section 6 of this chapter,
- 46 the presiding judge shall do the following:



- 1 (1) Ensure that the court operates efficiently and judicially under
 2 rules adopted by the court.
- 3 (2) Annually submit to the fiscal body of Monroe County a budget
 4 for the court, including amounts necessary for:
 5 (A) the operation of the circuit's probation department;
 6 (B) the defense of indigents; and
 7 (C) maintaining an adequate law library.
- 8 (3) Make the appointments or selections required of a circuit or
 9 superior court judge under the following statutes:
 10 IC 8-4-21-2
 11 IC 11-12-2-2
 12 IC 16-22-2-4
 13 IC 16-22-2-11
 14 IC 16-22-7
 15 ~~IC 20-4-1~~ **IC 20-23-4**
 16 ~~IC 20-4-8~~ **IC 20-23-16-19**
 17 **IC 20-23-16-21**
 18 **IC 20-23-7-6**
 19 **IC 20-23-7-8**
 20 ~~IC 20-4-15-2~~ **IC 20-23-16-30**
 21 ~~IC 20-5-20-4~~ **IC 20-26-7-[??]**
 22 ~~IC 20-5-23-1~~ **IC 36-12-10-[??]**
 23 ~~IC 20-14-10-10~~ **IC 20-26-7-[??]**
 24 IC 21-5-11-8
 25 IC 21-5-12-8
 26 IC 36-9
 27 IC 36-10.
- 28 (4) Make appointments or selections required of a circuit or
 29 superior court judge by any other statute, if the appointment or
 30 selection is not required of the court because of an action before
 31 the court.
- 32 SECTION 180. IC 34-13-3-3 IS AMENDED TO READ AS
 33 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. A governmental
 34 entity or an employee acting within the scope of the employee's
 35 employment is not liable if a loss results from the following:
 36 (1) The natural condition of unimproved property.
 37 (2) The condition of a reservoir, dam, canal, conduit, drain, or
 38 similar structure when used by a person for a purpose that is not
 39 foreseeable.
 40 (3) The temporary condition of a public thoroughfare or extreme
 41 sport area that results from weather.
 42 (4) The condition of an unpaved road, trail, or footpath, the
 43 purpose of which is to provide access to a recreation or scenic
 44 area.
 45 (5) The design, construction, control, operation, or normal
 46 condition of an extreme sport area, if all entrances to the extreme



- 1 sport area are marked with:
- 2 (A) a set of rules governing the use of the extreme sport area;
- 3 (B) a warning concerning the hazards and dangers associated
- 4 with the use of the extreme sport area; and
- 5 (C) a statement that the extreme sport area may be used only
- 6 by persons operating extreme sport equipment.
- 7 This subdivision shall not be construed to relieve a governmental
- 8 entity from liability for the continuing duty to maintain extreme
- 9 sports areas in a reasonably safe condition.
- 10 (6) The initiation of a judicial or an administrative proceeding.
- 11 (7) The performance of a discretionary function; however, the
- 12 provision of medical or optical care as provided in IC 34-6-2-38
- 13 shall be considered as a ministerial act.
- 14 (8) The adoption and enforcement of or failure to adopt or enforce
- 15 a law (including rules and regulations), unless the act of
- 16 enforcement constitutes false arrest or false imprisonment.
- 17 (9) An act or omission performed in good faith and without
- 18 malice under the apparent authority of a statute which is invalid
- 19 if the employee would not have been liable had the statute been
- 20 valid.
- 21 (10) The act or omission of anyone other than the governmental
- 22 entity or the governmental entity's employee.
- 23 (11) The issuance, denial, suspension, or revocation of, or failure
- 24 or refusal to issue, deny, suspend, or revoke any permit, license,
- 25 certificate, approval, order, or similar authorization, where the
- 26 authority is discretionary under the law.
- 27 (12) Failure to make an inspection, or making an inadequate or
- 28 negligent inspection, of any property, other than the property of
- 29 a governmental entity, to determine whether the property
- 30 complied with or violates any law or contains a hazard to health
- 31 or safety.
- 32 (13) Entry upon any property where the entry is expressly or
- 33 impliedly authorized by law.
- 34 (14) Misrepresentation if unintentional.
- 35 (15) Theft by another person of money in the employee's official
- 36 custody, unless the loss was sustained because of the employee's
- 37 own negligent or wrongful act or omission.
- 38 (16) Injury to the property of a person under the jurisdiction and
- 39 control of the department of correction if the person has not
- 40 exhausted the administrative remedies and procedures provided
- 41 by section 7 of this chapter.
- 42 (17) Injury to the person or property of a person under supervision
- 43 of a governmental entity and who is:
- 44 (A) on probation; or
- 45 (B) assigned to an alcohol and drug services program under
- 46 IC 12-23, a minimum security release program under



- 1 IC 11-10-8, a pretrial conditional release program under
 2 IC 35-33-8, or a community corrections program under
 3 IC 11-12.
- 4 (18) Design of a highway (as defined in IC 9-13-2-73) if the
 5 claimed loss occurs at least twenty (20) years after the public
 6 highway was designed or substantially redesigned; except that
 7 this subdivision shall not be construed to relieve a responsible
 8 governmental entity from the continuing duty to provide and
 9 maintain public highways in a reasonably safe condition.
- 10 (19) Development, adoption, implementation, operation,
 11 maintenance, or use of an enhanced emergency communication
 12 system.
- 13 (20) Injury to a student or a student's property by an employee of
 14 a school corporation if the employee is acting reasonably under a
 15 discipline policy adopted under ~~IC 20-8-1-5.1-7(b)~~.
 16 **IC 20-33-8-7(b).**
- 17 (21) An error resulting from or caused by a failure to recognize
 18 the year 1999, 2000, or a subsequent year, including an incorrect
 19 date or incorrect mechanical or electronic interpretation of a date,
 20 that is produced, calculated, or generated by:
- 21 (A) a computer;
 22 (B) an information system; or
 23 (C) equipment using microchips;
 24 that is owned or operated by a governmental entity. However, this
 25 subdivision does not apply to acts or omissions amounting to
 26 gross negligence, willful or wanton misconduct, or intentional
 27 misconduct. For purposes of this subdivision, evidence of gross
 28 negligence may be established by a party by showing failure of a
 29 governmental entity to undertake an effort to review, analyze,
 30 remediate, and test its electronic information systems or by
 31 showing failure of a governmental entity to abate, upon notice, an
 32 electronic information system error that caused damage or loss.
 33 However, this subdivision expires June 30, 2003.
- 34 (22) An act or omission performed in good faith under the
 35 apparent authority of a court order described in IC 35-46-1-15.1
 36 that is invalid, including an arrest or imprisonment related to the
 37 enforcement of the court order, if the governmental entity or
 38 employee would not have been liable had the court order been
 39 valid.
- 40 SECTION 181. IC 34-30-2-84.5 IS AMENDED TO READ AS
 41 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 84.5. IC 20-6.1-3-7
 42 (Concerning a person who makes a report concerning a teacher).
 43 **[Query: There does not seem to be any mention of immunity from**
 44 **liability in IC 20-6.1-3-7. Repeal IC 34-30-2-84.5?]**
- 45 SECTION 182. IC 34-30-2-85 IS AMENDED TO READ AS
 46 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 85. ~~IC 20-8-1-12-5~~



1 **IC 20-33-9-5** (Concerning a person who reports or supervises a person
2 who reports a violation of alcoholic beverage or controlled substance
3 laws on school property).

4 SECTION 183. IC 34-30-2-85.1 IS AMENDED TO READ AS
5 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 85.1. ~~IC 20-8-1-12-5-7~~
6 **IC 20-33-9-7** (Concerning a person who reports or causes a report to
7 be made of a threat against, or intimidation of, a school employee).

8 SECTION 184. IC 34-30-2-85.2 IS AMENDED TO READ AS
9 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 85.2. ~~IC 20-8-1-13-3~~
10 **IC 20-33-4-1** (Concerning attendance officer or officer's designee
11 for failure to contact a parent or guardian regarding a student's
12 absences).

13 SECTION 185. IC 34-30-2-85.5 IS AMENDED TO READ AS
14 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 85.5. ~~IC 20-10-1-22-4-3~~
15 **IC 20-33-7-3** (Concerning the disclosure or reporting of education
16 records of a child).

17 SECTION 186. IC 34-30-14-6 IS AMENDED TO READ AS
18 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6. A school or school
19 board is not liable for civil damages as a result of a student's
20 self-administration of medication for an acute or chronic disease or
21 medical condition as provided under ~~IC 20-8-1-5-1-7-5~~ **IC 20-33-8-7.5**
22 except for an act or omission amounting to gross negligence or willful
23 and wanton misconduct.

24 SECTION 187. IC 34-46-2-12 IS AMENDED TO READ AS
25 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 12. ~~IC 20-1-1-9-6~~
26 **IC 20-28-12-5** (Concerning information school psychologist acquires
27 in professional capacity).

28 SECTION 188. IC 34-46-2-13 IS AMENDED TO READ AS
29 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 13. ~~IC 20-6-1-6-15~~
30 **IC 20-28-10-17** (Concerning communications made to a school
31 counselor).

32 SECTION 189. IC 34-46-2-14 IS AMENDED TO READ AS
33 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 14. ~~IC 20-8-1-12-2~~
34 **IC 20-33-9-2** and ~~20-8-1-12-4~~ **IC 20-33-9-4** (Concerning reports of
35 elementary and secondary school students suspected of alcohol and
36 controlled substance violations).

37 SECTION 190. IC 35-41-1-24.7 IS AMENDED TO READ AS
38 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 24.7. "School property"
39 means the following:

- 40 (1) A building or other structure owned or rented by:
41 (A) a school corporation;
42 (B) an entity that is required to be licensed under IC 12-17.2
43 or IC 12-17.4;
44 (C) a private school (as defined in IC 20-9.1-1-3)[?]; or
45 (D) a federal, state, local, or nonprofit program or service
46 operated to serve, assist, or otherwise benefit children who are



1 at least three (3) years of age and not yet enrolled in
2 kindergarten, including the following:

- 3 (i) A Head Start program under 42 U.S.C. 9831 et seq.
4 (ii) A special education preschool program.
5 (iii) A developmental child care program for preschool
6 children.

7 (2) The grounds adjacent to and owned or rented in common with
8 a building or other structure described in subdivision (1).

9 SECTION 191. IC 35-42-4-7 IS AMENDED TO READ AS
10 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7. (a) As used in this
11 section, "adoptive parent" has the meaning set forth in IC 31-9-2-6.

12 (b) As used in this section, "adoptive grandparent" means the parent
13 of an adoptive parent.

14 (c) As used in this section, "child care worker" means a person who:

15 (1) provides care, supervision, or instruction to a child within the
16 scope of the person's employment in a shelter care facility; or

17 (2) is employed by a:

18 (A) school corporation; or

19 (B) nonpublic school;

20 attended by a child who is the victim of a crime under this
21 chapter.

22 (d) As used in this section, "custodian" means any person who
23 resides with a child and is responsible for the child's welfare.

24 (e) As used in this section, "nonpublic school" has the meaning set
25 forth in ~~IC 20-10.1-1-3~~. **IC 20-18-2-[??]**.

26 (f) As used in this section, "school corporation" has the meaning set
27 forth in ~~IC 20-10.1-1-1~~. **IC 20-18-2-[??]**.

28 (g) As used in this section, "stepparent" means an individual who is
29 married to a child's custodial or noncustodial parent and is not the
30 child's adoptive parent.

31 (h) If a person who is:

32 (1) at least eighteen (18) years of age; and

33 (2) the:

34 (A) guardian, adoptive parent, adoptive grandparent,
35 custodian, or stepparent of; or

36 (B) child care worker for;

37 a child at least sixteen (16) years of age but less than eighteen
38 (18) years of age;

39 engages with the child in sexual intercourse, deviate sexual conduct (as
40 defined in IC 35-41-1-9), or any fondling or touching with the intent to
41 arouse or satisfy the sexual desires of either the child or the adult, the
42 person commits child seduction, a Class D felony.

43 SECTION 192. IC 35-50-6-3.3 IS AMENDED TO READ AS
44 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3.3. (a) In addition to
45 any credit time a person earns under subsection (b) or section 3 of this
46 chapter, a person earns credit time if the person:



- 1 (1) is in credit Class I;
 2 (2) has demonstrated a pattern consistent with rehabilitation; and
 3 (3) successfully completes requirements to obtain one (1) of the
 4 following:
- 5 (A) A general educational development (GED) diploma under
 6 ~~IC 20-10-1-12.1~~; **IC 20-20-6**, if the person has not previously
 7 obtained a high school diploma.
 8 (B) A high school diploma.
 9 (C) An associate's degree from an approved institution of
 10 higher learning (as defined under IC 20-12-21-3).
 11 (D) A bachelor's degree from an approved institution of higher
 12 learning (as defined under IC 20-12-21-3).
- 13 (b) In addition to any credit time that a person earns under
 14 subsection (a) or section 3 of this chapter, a person may earn credit
 15 time if, while confined by the department of correction, the person:
- 16 (1) is in credit Class I;
 17 (2) demonstrates a pattern consistent with rehabilitation; and
 18 (3) successfully completes requirements to obtain at least one (1)
 19 of the following:
- 20 (A) A certificate of completion of a vocational education
 21 program approved by the department of correction.
 22 (B) A certificate of completion of a substance abuse program
 23 approved by the department of correction.
 24 (C) A certificate of completion of a literacy and basic life
 25 skills program approved by the department of correction.
- 26 (c) The department of correction shall establish admissions criteria
 27 and other requirements for programs available for earning credit time
 28 under subsection (b). A person may not earn credit time under both
 29 subsections (a) and (b) for the same program of study.
- 30 (d) The amount of credit time a person may earn under this section
 31 is the following:
- 32 (1) Six (6) months for completion of a state of Indiana general
 33 educational development (GED) diploma under ~~IC 20-10-1-12.1~~.
 34 **IC 20-20-6**.
 35 (2) One (1) year for graduation from high school.
 36 (3) One (1) year for completion of an associate's degree.
 37 (4) Two (2) years for completion of a bachelor's degree.
 38 (5) Not more than a total of six (6) months of credit, as
 39 determined by the department of correction, for the completion of
 40 one (1) or more vocational education programs approved by the
 41 department of correction.
 42 (6) Not more than a total of six (6) months of credit, as
 43 determined by the department of correction, for the completion of
 44 one (1) or more substance abuse programs approved by the
 45 department of correction.
 46 (7) Not more than a total of six (6) months credit, as determined



- 1 by the department of correction, for the completion of one (1) or
 2 more literacy and basic life skills programs approved by the
 3 department of correction.
- 4 However, a person who does not have a substance abuse problem that
 5 qualifies the person to earn credit in a substance abuse program may
 6 earn not more than a total of twelve (12) months of credit, as
 7 determined by the department of correction, for the completion of one
 8 (1) or more vocational education programs approved by the department
 9 of correction. If a person earns more than six (6) months of credit for
 10 the completion of one (1) or more vocational education programs, the
 11 person is ineligible to earn credit for the completion of one (1) or more
 12 substance abuse programs.
- 13 (e) Credit time earned by a person under this section is subtracted
 14 from the release date that would otherwise apply to the person after
 15 subtracting all other credit time earned by the person.
- 16 (f) A person does not earn credit time under subsection (a) unless
 17 the person completes at least a portion of the degree requirements after
 18 June 30, 1993.
- 19 (g) A person does not earn credit time under subsection (b) unless
 20 the person completes at least a portion of the program requirements
 21 after June 30, 1999.
- 22 (h) Credit time earned by a person under subsection (a) for a
 23 diploma or degree completed before July 1, 1999, shall be subtracted
 24 from:
- 25 (1) the release date that would otherwise apply to the person after
 26 subtracting all other credit time earned by the person, if the
 27 person has not been convicted of an offense described in
 28 subdivision (2); or
- 29 (2) the period of imprisonment imposed on the person by the
 30 sentencing court, if the person has been convicted of one (1) of
 31 the following crimes:
- 32 (A) Rape (IC 35-42-4-1).
 33 (B) Criminal deviate conduct (IC 35-42-4-2).
 34 (C) Child molesting (IC 35-42-4-3).
 35 (D) Child exploitation (IC 35-42-4-4(b)).
 36 (E) Vicarious sexual gratification (IC 35-42-4-5).
 37 (F) Child solicitation (IC 35-42-4-6).
 38 (G) Child seduction (IC 35-42-4-7).
 39 (H) Sexual misconduct with a minor as a Class A felony, Class
 40 B felony, or Class C felony (IC 35-42-4-9).
 41 (I) Incest (IC 35-46-1-3).
 42 (J) Sexual battery (IC 35-42-4-8).
 43 (K) Kidnapping (IC 35-42-3-2), if the victim is less than
 44 eighteen (18) years of age.
 45 (L) Criminal confinement (IC 35-42-3-3), if the victim is less
 46 than eighteen (18) years of age.



1 (M) An attempt or a conspiracy to commit a crime listed in
2 clauses (A) through (L).

3 (i) The maximum amount of credit time a person may earn under
4 this section is the lesser of:

5 (1) four (4) years; or

6 (2) one-third (1/3) of the person's total applicable credit time.

7 (j) The amount of credit time earned under this section is reduced
8 to the extent that application of the credit time would otherwise result
9 in:

10 (1) postconviction release (as defined in IC 35-40-4-6); or

11 (2) assignment of the person to a community transition program;
12 in less than forty-five (45) days after the person earns the credit time.

13 (k) A person may earn credit time for multiple degrees at the same
14 education level under subsection (d) only in accordance with guidelines
15 approved by the department of correction. The department of
16 correction may approve guidelines for proper sequence of education
17 degrees under subsection (d).

18 SECTION 193. IC 36-1-7-13 IS AMENDED TO READ AS
19 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 13. Whenever an
20 agreement authorized by this chapter is between school corporations,
21 teachers employed under the agreement have the same rights and
22 privileges as teachers employed under ~~IC 20-5-11-3.5;~~
23 **IC 20-26-10-1**, ~~IC 20-5-11-3.6;~~ **IC 20-26-10-2**, and
24 ~~IC 20-5-11-3.7.~~ **IC 20-26-10-3**.

25 SECTION 194. IC 36-1-8-10.5 IS AMENDED TO READ AS
26 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 10.5. (a) This section
27 does not apply to the following:

28 (1) An elected or appointed officer.

29 (2) An individual described in ~~IC 20-5-3-11.~~ **IC 20-26-4-11.**

30 (b) An employee of a political subdivision may:

31 (1) be a candidate for any elected office and serve in that office if
32 elected; or

33 (2) be appointed to any office and serve in that office if appointed;
34 without having to resign as an employee of the political subdivision.

35 SECTION 195. IC 36-1-10-1 IS AMENDED TO READ AS
36 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. (a) Except as
37 provided in subsection (b), this chapter applies to:

38 (1) political subdivisions and agencies of political subdivisions
39 that determine to acquire structures, transportation projects, or
40 systems by lease or lease-purchase;

41 (2) a convention and visitor bureau established under IC 6-9-2
42 that determines to acquire a visitor center by lease or lease
43 purchase; and

44 (3) a convention and visitor commission established by IC 6-9-11
45 that determines to acquire a sports and recreation facility by lease
46 or lease purchase.



- 1 (b) This chapter does not apply to:
 2 (1) the lease of library buildings under ~~IC 20-14-10~~; **IC 36-12-10**,
 3 unless the library board of the public library adopts a resolution
 4 to proceed under this chapter instead of ~~IC 20-14-10~~;
 5 **IC 36-12-10**;
 6 (2) the lease of school buildings under IC 21-5;
 7 (3) county hospitals organized or operating under IC 16-22-1
 8 through IC 16-22-5;
 9 (4) municipal hospitals organized or operating under IC 16-23-1;
 10 or
 11 (5) boards of aviation commissioners established under IC 8-22-2.

12 SECTION 196. IC 36-1-10.5-1 IS AMENDED TO READ AS
 13 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. (a) Except as
 14 provided in subsection (b), this chapter applies to:

- 15 (1) political subdivisions; and
 16 (2) their agencies.
 17 (b) This chapter does not apply to the purchase of:
 18 (1) real property having a total price (including land and
 19 structures, if any) of twenty-five thousand dollars (\$25,000) or
 20 less;
 21 (2) airport land or structures under IC 8-22;
 22 (3) library land or structures under ~~IC 20-14~~; **IC 36-12**;
 23 (4) school land or structures under IC 21-5;
 24 (5) hospital land or structures by hospitals organized or operated
 25 under IC 16-22-1 through IC 16-22-5 or IC 16-23-1;
 26 (6) land or structures acquired for a road or street right-of-way for
 27 a federal-aid project funded in any part under 23 U.S.C. 101 et
 28 seq.;
 29 (7) land or structures by redevelopment commissions under
 30 IC 36-7-14 or IC 36-7-15.1, or redevelopment authorities under
 31 IC 36-7-14.5; or
 32 (8) land by a municipally owned water utility, if:
 33 (A) the municipally owned water utility has performed or
 34 contracted with another party to perform sampling and drilling
 35 tests of the land; and
 36 (B) the sampling and drilling tests indicate the land has water
 37 resources.

38 SECTION 197. IC 36-1-11-1 IS AMENDED TO READ AS
 39 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. (a) Except as
 40 provided in subsection (b), this chapter applies to the disposal of
 41 property by:

- 42 (1) political subdivisions; and
 43 (2) their agencies.
 44 (b) This chapter does not apply to the following:
 45 (1) The disposal of property under an urban homesteading
 46 program under IC 36-7-17.



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



1 nonprofit corporation whose charter or articles of incorporation
 2 allows the corporation to take action for the preservation of
 3 historic property. As used in this subdivision, "historic property"
 4 means property that is:

- 5 (A) listed on the National Register of Historic Places; or
- 6 (B) eligible for listing on the National Register of Historic
 7 Places, as determined by the division of historic preservation
 8 and archeology of the department of natural resources.

9 (22) The disposal of real property without consideration to:

- 10 (A) a governmental agency; or
- 11 (B) a nonprofit corporation that exists for the primary purpose
 12 of enhancing the environment;

13 when the property is to be used for compliance with a permit or
 14 an order issued by a federal or state regulatory agency to mitigate
 15 an adverse environmental impact.

16 (23) The disposal of property to a person under an agreement
 17 between the person and a political subdivision or an agency of a
 18 political subdivision under IC 5-23.

19 (24) The disposal of residential real property pursuant to a federal
 20 aviation regulation (14 CFR 150) Airport Noise Compatibility
 21 Planning Program as approved by the Federal Aviation
 22 Administration.

23 SECTION 198. IC 36-1-12.5-1.5 IS AMENDED TO READ AS
 24 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1.5. As used in this
 25 chapter, "governing body" means the following:

26 (1) With respect to school corporations, the governing body (as
 27 defined in ~~IC 20-10-1-1-5~~; **IC 20-18-2-[??]**).

28 (2) With respect to a public library, the library board (as defined
 29 in ~~IC 20-14-1-2~~; **IC 36-12-1-[??]**).

30 (3) With respect to a library described in ~~IC 20-14-7-6~~;
 31 **IC 36-12-7-[??]**, the trustees of the library.

32 (4) With respect to other political subdivisions, the legislative
 33 body (as defined in IC 36-1-2-9).

34 SECTION 199. IC 36-1-14-1 IS AMENDED TO READ AS
 35 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. (a) This section does
 36 not apply to donations of proceeds from riverboat gaming to a public
 37 school endowment corporation under IC 20-5-6-9[??].

38 (b) As used in this section, "riverboat gaming revenue" means tax
 39 revenue received by a unit under IC 4-33-12-6, IC 4-33-13, or an
 40 agreement to share a city's or county's part of the tax revenue.

41 (c) Notwithstanding IC 8-1.5-2-6(d), a unit may donate the proceeds
 42 from the sale of a utility or facility or from a grant, a gift, a donation,
 43 an endowment, a bequest, a trust, or riverboat gaming revenue to a
 44 foundation under the following conditions:

- 45 (1) The foundation is a charitable nonprofit community
 46 foundation.



- 1 (2) The foundation retains all rights to the donation, including
 2 investment powers.
 3 (3) The foundation agrees to do the following:
 4 (A) Hold the donation as a permanent endowment.
 5 (B) Distribute the income from the donation only to the unit as
 6 directed by resolution of the fiscal body of the unit.
 7 (C) Return the donation to the general fund of the unit if the
 8 foundation:
 9 (i) loses the foundation's status as a public charitable
 10 organization;
 11 (ii) is liquidated; or
 12 (iii) violates any condition of the endowment set by the
 13 fiscal body of the unit.

14 SECTION 200. IC 36-3-6-9 IS AMENDED TO READ AS
 15 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 9. (a) The city-county
 16 legislative body may review and modify the operating and maintenance
 17 budgets and the tax levies of the following entities in the county:

- 18 (1) An airport authority operating under IC 8-22-3.
 19 (2) A health and hospital corporation operating under IC 16-22-8.
 20 (3) A public library operating under ~~IC 20-14~~ **IC 36-12**.
 21 (4) A capital improvement board of managers operating under
 22 IC 36-10.
 23 (5) A public transportation corporation operating under IC 36-9-4.
 24 (b) The board of each entity listed in subsection (a) shall, after
 25 adoption of its budget and tax levies, submit them, along with detailed
 26 accounts, to the city clerk before the first day of September of each
 27 year.
 28 (c) The city-county legislative body may review the issuance of
 29 bonds of an entity listed in subsection (a), but approval of the
 30 city-county legislative body is not required for the issuance of bonds.

31 SECTION 201. IC 36-4-11-2 IS AMENDED TO READ AS
 32 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. (a) The city
 33 executive shall make the appointments prescribed by law. If an
 34 emergency requires additional employees for a city office, board,
 35 commission, department, institution, or utility, the executive may also
 36 appoint those employees.

- 37 (b) This subsection does not apply to appointments made under
 38 IC 20. An executive may not make an appointment between midnight
 39 December 31 and noon January 1 of the last year of the executive's
 40 final term of office.

- 41 (c) This subsection does not apply to appointments made under
 42 IC 20. The executive may remove from office a board or commission
 43 member appointed by a prior executive if the appointment was made
 44 on or after the date of the general election and:

- 45 (1) the prior executive was a candidate for nomination as a party's
 46 candidate for election to the office of executive at the primary



1 election held during the last year of the prior executive's term of
 2 office and the prior executive was not nominated at that election;
 3 or

4 (2) the prior executive was a candidate for another term of office
 5 as executive at the general election held during the last year of the
 6 prior executive's term of office and the prior executive was not
 7 elected to another term of office at that election;

8 and if the executive notifies the appointee of the removal and sends a
 9 written statement of the reasons for the removal to the city legislative
 10 body.

11 (d) The executive may suspend or remove from office any officers,
 12 deputies, or other employees of the city appointed by the executive or
 13 a prior executive, by notifying them to that effect and sending a written
 14 statement of the reasons for the suspension or removal to the city
 15 legislative body.

16 (e) A person appointed by the executive to fill a vacancy caused by
 17 a removal under subsection (c) serves the remainder of the unexpired
 18 term of the appointee removed from office under subsection (c).

19 (f) Notwithstanding any other law, if the term of a member of a
 20 board who was appointed by the executive expires and the executive
 21 does not make an appointment to fill the vacancy, the member may
 22 continue to serve on the board for only sixty (60) days after the
 23 expiration date of the member's term.

24 SECTION 202. IC 36-9-4-29.4 IS AMENDED TO READ AS
 25 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 29.4. (a) This section
 26 does not apply to a public transportation corporation located in a
 27 county having a consolidated city.

28 (b) A public transportation corporation may provide regularly
 29 scheduled passenger service to specifically designated locations outside
 30 the system's operational boundaries as described in IC 36-9-1-9 if all
 31 of the following conditions are met:

32 (1) The legislative body of the municipality approves any
 33 expansion of the service outside the municipality's corporate
 34 boundaries.

35 (2) The expanded service is reasonably required to do any of the
 36 following:

37 (A) Enhance employment opportunities in the new service area
 38 or the existing service area.

39 (B) Serve the elderly, disabled, or other persons who are in
 40 need of public transportation.

41 (3) The rates or compensation for the expanded service are
 42 sufficient, on a fully allocated cost basis, to prevent a property tax
 43 increase in the taxing district solely as a result of the expanded
 44 service.

45 (4) Except as provided in subsection (e), the expanded service
 46 does not extend beyond the boundary of the county in which the



1 corporation is located.
 2 (5) The corporation complies with sections 29.5 and 29.6 of this
 3 chapter.
 4 (c) Notwithstanding section 39 of this chapter, a public
 5 transportation corporation may provide demand responsive service
 6 outside of the system's operational boundaries as described in
 7 IC 36-9-1-9 if the conditions listed in subsection (b) are met.
 8 (d) The board may contract with a private operator for the operation
 9 of an expanded service under this section.
 10 (e) Subsection (b)(4) does not apply to a special purpose bus (as
 11 defined in ~~IC 20-9-1-1-4.5~~ **IC 20-27-2-10**) or a school bus (as defined
 12 in ~~IC 20-9-1-1-5~~ **IC 20-27-2-8**) that provides expanded service for a
 13 purpose permitted under ~~IC 20-9-1-5~~ **IC 20-27-9**.
 14 SECTION 203. IC 36-9-4-54 IS AMENDED TO READ AS
 15 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 54. An urban mass
 16 transportation system operating under this chapter may be used for the
 17 transportation of pupils to and from schools under a contract made with
 18 any school corporation having jurisdiction within the taxing district of
 19 the public transportation corporation. The system is solely responsible
 20 for the bus drivers' employment and actions, but the bus drivers must
 21 meet the qualifications for drivers of school buses as provided in
 22 ~~IC 20-9-1-3~~ **IC 20-27-8**. The buses used for the rendition of service
 23 under this section need not meet the requirements of the statutes
 24 relating to the construction, equipment, and painting of school buses.

