Journal of the House

State of Indiana

114th General Assembly — First Regular Session

Thirty-seventh Meeting Day — **Thursday Afternoon** — **March 31 2005**

The House convened at 1:30 p.m. with the Speaker in the Chair.

The invocation was offered by Reverend Will Peugot, Our Savior Lutheran Church, West Lafayette, the guest of Representative Joe Micon.

The Pledge of Allegiance to the Flag was led by Representative Micon.

The Speaker ordered the roll of the House to be called:

T. Adams ⏏
Aguilera
Alderman
Austin
Avery
Ayres
Bardon
Bauer
Becker
Behning
Bischoff
Borders
Borror
Bottorff
Bright
C. Brown
T. Brown
Buck
Budak
Buell
Burton
Cheney
Cherry
Cochran
Crawford
Crooks
Davis
Day
Denbo
Dickinson
Dobis
Dodge
Duncan
Dvorak
Espich
Foley
Friend
Frizzell
Fry
GiaQuinta
Goodin
Grubb
Gutwein
E. Harris
T. Harris
Heim
Hinkle
Hoffman
Hoy
Kersey
Klinker
Koch
Kromkowski
Kuzman
L. Lawson
Lehe
Leonard
J. Lutz
Mahern
Mays
McClain
Messer
Micon
Moses
Murphy
Neese
Noe
Orentlicher
Oxley
Pelath
Pflum
Pierce
Pond
Porter
Reske
Richardson
Ripley
Robertson
Ruppel
Saunders
J. Smith
V. Smith
Stevenson
Stilwell
Stutzman
Summers
Thomas
Thompson
Tincher
Torr
Turner
Ulmer
VanHaaften
Walorski
Welch
Whetstone
Wolkins
Woodruff
Yount
Mr. Speaker

Roll Call 344: 99 present; 1 excused. The Speaker announced a quorum in attendance. [*NOTE*: ⏏ *indicates those who were excused*.]

HOUSE MOTION

Mr. Speaker: I move that when we do adjourn, we adjourn until Monday, April 4, 2005 at 1:30 p.m.

WOLKINS

Motion prevailed.

The House recessed until the fall of the gavel.

RECESS

The House reconvened at 3:30 p.m. with the Speaker in the Chair.

Representatives Borror and Foley were excused for the rest of the day.

REPORTS FROM COMMITTEES

COMMITTEE REPORT

Mr. Speaker: Your Committee on Courts and Criminal Code, to which was referred Engrossed Senate Bill 13, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill do pass.

Committee Vote: yeas 7, nays 0.

ULMER, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Courts and Criminal Code, to which was referred Engrossed Senate Bill 47, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill do pass.

Committee Vote: yeas 9, nays 0.

ULMER, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Roads and Transportation, to which was referred Engrossed Senate Bill 63, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 2, line 1, strike "(a)".
Page 2, delete lines 8 through 17.
(Reference is to SB 63 as printed February 25, 2005.)

and when so amended that said bill do pass.

Committee Vote: yeas 11, nays 0.

DUNCAN, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Courts and Criminal Code, to which was referred Engrossed Senate Bill 92, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill do pass.

Committee Vote: yeas 9, nays 0.

ULMER, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Public Policy and Veterans Affairs, to which was referred Engrossed Senate Bill 106, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Delete the title and insert the following:

A BILL FOR AN ACT to amend the Indiana Code concerning corrections and insurance.

Page 1, between the enacting clause and line 1, begin a new paragraph and insert:

"SECTION 1. IC 11-10-14 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:

Chapter 14. Transitional Dormitories

Sec. 1. Before January 1, 2007, the department may provide a transitional dormitory at any security facility approved by the commissioner.

Sec. 2. (a) A transitional dormitory may provide programming and training in the following areas:

(1) Drug addiction and alcoholism treatment.
(2) Employment skills and vocations.
(3) Personal responsibility.
(4) Faith and religion.
(5) Peer support.
(6) Motivation.

(b) Except as provided in subsection (c), the department shall:

(1) use volunteers recruited under section 4(b)(2) of this chapter; and
(2) provide other staff;

necessary for the operation of a transitional dormitory.

(c) The department may contract with a faith based organization to provide staff necessary for the operation of a transitional dormitory.

Sec. 3. (a) An offender who wishes to reside in a transitional dormitory must submit a written application to the director of the transitional dormitory. An application must be on a form prescribed by the department.

(b) The director shall review each application and, not more than thirty (30) days after receipt of the application, issue a written decision to the offender.

(c) The director may determine eligibility based on the following criteria:

(1) A preference shall be given to an offender who has less than twenty-four (24) months until the offender's expected release date.
(2) Previous disciplinary action taken against an offender under IC 11-11-5-3.
(3) Security risks presented by admitting an offender to a transitional dormitory.
(4) An offender's demonstrated interest in the programs offered by a transitional dormitory.
(5) An offender's previous attempts to reside in a transitional dormitory at any penal facility.
(6) Other criteria developed by the department.

(d) An offender being treated under IC 11-10-4 is ineligible for placement in a transitional dormitory unless a psychiatrist treating the offender certifies to the director at or near the time the offender submits an application under subsection (a) that the offender can meaningfully participate in the programs offered by a transitional dormitory.

Sec. 4. (a) The department shall select a person to be the director of each transitional dormitory. The department may select a person to be a director who is employed by a faith based organization.

(b) The director's responsibilities include the following:

(1) Implement each program component.
(2) Recruit volunteers to provide instruction and training in the transitional dormitory with an emphasis on recruiting volunteers for religious programs.
(3) Oversee the day to day operations of the transitional dormitory.
(4) Provide information requested by the superintendent regarding an offender or a program.
(5) Remove an offender from the transitional dormitory for:
(A) population management concerns;
(B) misconduct;
(C) security or safety concerns;
(D) mental health concerns; or
(E) lack of meaningful participation in the programs and training.

Sec. 5. (a) The department shall submit an evaluation report to the legislative council on the faith based transitional dormitory program one (1) year after its inception and continue to provide a report to the legislative council on or before December 1 of each year.

(b) The report described in subsection (a) must be in an electronic format under IC 5-14-6.

(c) The report described in subsection (a) must contain:

(1) an extensive evaluation of the faith based transitional dormitory program;
(2) statistics that include the number of inmates who:
(A) have enrolled in a faith based transitional dormitory program;
(B) have completed a faith based transitional dormitory program; and
(C) have been released from the department and did not participate in a faith based transitional dormitory program; and
(3) the results of a survey of the employees of faith based transitional dormitories. The survey must ask the employees their opinions concerning the progress of the faith based transitional dormitories, how the program could improve, and how the program is successful.

SECTION 2. [EFFECTIVE UPON PASSAGE] **(a) As used in this SECTION, "department" refers to the department of correction established by IC 11-8-2-1.**

(b) As used in this SECTION, "commissioner" refers to the commissioner of the department of correction appointed under IC 11-8-2-4.

(c) Not later than September 1, 2005, the commissioner shall report progress on entering into a contract with a faith based organization to create a pilot project to operate faith based transitional dormitories at state operated correctional facilities.

(d) Not later than November 1, 2005, the commissioner shall report the status on implementing a pilot project and report a target date for the commencement of the pilot project. A report under subsection (c) and this subsection must be in an electronic format under IC 5-14-6.

(e) This SECTION expires December 31, 2005.

SECTION 3. **An emergency is declared for this act.**".

Renumber all SECTIONS consecutively.

(Reference is to SB 106 as printed January 28, 2005.)

and when so amended that said bill do pass.

Committee Vote: yeas 9, nays 0.

ALDERMAN, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Insurance, to which was referred Engrossed Senate Bill 125, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 2, delete lines 20 through 42.

Delete pages 3 through 4.

(Reference is to SB 125 as printed February 4, 2005.)

and when so amended that said bill do pass.

Committee Vote: yeas 7, nays 2.

RIPLEY, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Public Policy and Veterans Affairs, to which was referred Engrossed Senate Bill 127, has had the

same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Delete the title and insert the following:

A BILL FOR AN ACT to repeal a provision of the Indiana Code concerning general provisions.

Delete everything after the enacting clause and insert the following:

SECTION 1. IC 1-1-8.1 IS REPEALED [EFFECTIVE JUNE 5, 2005].

SECTION 2. [EFFECTIVE UPON PASSAGE] **The repeal of IC 1-1-8.1 by this act takes effect June 5, 2005, at 2:00 a.m. Eastern Standard Time.**

SECTION 3. [EFFECTIVE UPON PASSAGE] **The Indiana general assembly urges Governor Daniels to petition the United States Department of Transportation to initiate proceedings under the Uniform Time Act of 1966 to hold hearings in the appropriate locations in Indiana on the issue of the time zone or time zones in which Indiana's ninety-two (92) counties should be located.**

SECTION 4. **An emergency is declared for this act.**

(Reference is to SB 127 as reprinted February 23, 2005.)

and when so amended that said bill do pass.

Committee Vote: yeas 8, nays 4.

ALDERMAN, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Courts and Criminal Code, to which was referred Engrossed Senate Bill 164, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill do pass.

Committee Vote: yeas 9, nays 0.

ULMER, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Elections and Apportionment, to which was referred Engrossed Senate Bill 179, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 9, line 35, after "after" insert ":

(A)".

Page 9, line 35, delete "occurs." insert "occurs, **if IC 5-8-6 does not apply; or**

(B) the town clerk-treasurer receives the notice required under IC 5-8-6.".

Page 10, line 34, after "after" insert ":

(A)".

Page 10, line 34, delete "occurs." and insert "occurs, **if IC 5-8-6 does not apply; or**

(B) the president of the town council receives the notice required under IC 5-8-6.".

Page 11, line 34, after "after" insert ":

(A)".

Page 11, line 34, delete "occurs." and insert "occurs, **if IC 5-8-6 does not apply; or**

(B) the town clerk-treasurer receives the notice required under IC 5-8-6.".

Page 13, line 14, after "after" insert ":

(A)".

Page 13, line 14, delete "occurs;" and insert "occurs, **if IC 5-8-6 does not apply; or**

(B) the county auditor receives the notice required under IC 5-8-6;".

Page 14, line 28, after "after" insert ":

(A)".

Page 14, line 28, delete "occurs;" and insert "occurs, **if IC 5-8-6 does not apply; or**

(B) the county auditor receives the notice required under IC 5-8-6;".

Page 17, between lines 2 and 3, begin a new paragraph and insert:

"SECTION 25. IC 5-8-1-37 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 37. (a) As used in this section:

(1) "Felony" means any crime punishable by imprisonment for more than one (1) year in any correctional facility.

(2) "Public officer" means any person, elected or appointed, who holds any state, county, township, city, or town office.

(b) Any public officer convicted of a felony during ~~his~~ **the officer's** term of office shall:

(1) be removed from office by operation of law when ~~he~~ **the officer** is sentenced for the felony; and

(2) not receive any salary or remuneration from the time ~~he~~ **the officer** is sentenced for the felony.

(c) If the conviction is reversed, vacated, or set aside, and the officer's term has not expired, the officer shall:

(1) be reinstated in office; and

(2) receive any salary or other remuneration which ~~he~~ **the officer** would have received had ~~he~~ **the officer** not been removed from office.

(d) If the conviction is reversed, vacated, or set aside, and the officer's term has expired, ~~he~~ **the officer** shall receive any salary or other remuneration which ~~he~~ **the officer** would have received had he not been removed from office.

(e) Every vacancy in a public office caused by the removal of a public officer under this section shall be filled as provided by law. If a convicted public officer is reinstated, the person filling the office during the appeal shall cease to hold the office.

(f) This subsection applies whenever:

(1) the court imposes on a public officer a sentence for a felony, as referred to in subsection (b); and

(2) a vacancy occurs in a state, county, township, city, or town office as the result of the court's sentence.

The court must file a certified copy of the sentencing order with the person who is entitled under IC 5-8-6 to receive notice of the death of an individual holding the office. The person receiving a copy of the sentencing order must give notice of the vacancy in the same manner as if the person had received a notice under IC 5-8-6. The person who is required or permitted to fill the vacancy must comply with IC 3-13.

(g) This subsection applies if a public officer is reinstated in office under subsection (c). The court must file a certified copy of the order reversing, vacating, or setting aside the conviction with the person who is entitled under IC 5-8-6 to receive notice of the death of an individual holding the office. The person receiving a copy of the order must give notice of the reinstatement in the same manner as notice of a vacancy would be given under IC 5-8-6. In addition, the person receiving a copy of the order must also give notice to the person who was selected to fill the vacancy before the reinstatement occurred.".

Page 18, line 8, delete "or".

Page 18 line 9, after "IC 3-13-11;" insert "**or**".

Page 18, between lines 9 and 10, begin a new line block indented and insert:

"**(9) IC 20;**".

Page 21, after line 2, begin a new paragraph and insert:

"SECTION 32. IC 20-25-3-4, AS ADDED BY P.L.2-2005, SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. (a) The board consists of seven (7) members. A member:

(1) must be elected on a nonpartisan basis in primary elections held in the county as specified in this section; and

(2) serves a four (4) year term.

(b) Five (5) members shall be elected from the school board districts in which the members reside and two (2) members must be elected at large. Not more than two (2) of the members who serve on the board may reside in the same school board district.

(c) If a candidate runs for one (1) of the district positions on the board, only eligible voters residing in the candidate's district may vote for that candidate. If a person is a candidate for one (1) of the at-large positions, eligible voters from all the districts may vote for that candidate.

(d) If a candidate files to run for a position on the board, the

candidate must specify whether the candidate is running for a district or an at-large position.

(e) A candidate who runs for a district or an at-large position wins if the candidate receives the greatest number of votes of all the candidates against whom the candidate runs.

(f) Districts shall be established within the school city by the state board. The districts must be drawn on the basis of precinct lines, and as nearly as practicable, of equal population with the population of the largest district not to exceed the population of the smallest district by more than five percent (5%). District lines must not cross precinct lines. The state board shall establish:

(1) balloting procedures for the election under IC 3; and

(2) other procedures required to implement this section.

(g) A member of the board serves under section 3 of this chapter.

(h) **In accordance with subsection (k),** a vacancy in the board shall be filled temporarily by the board as soon as practicable after the vacancy occurs. The member chosen by the board to fill a vacancy holds office until the member's successor is elected and qualified. The successor shall be elected at the next regular school board election occurring after the date on which the vacancy occurs. The successor fills the vacancy for the remainder of the term.

(i) An individual elected to serve on the board begins the individual's term on July 1 of the year of the individual's election.

(j) Notwithstanding any law to the contrary, each voter must cast a vote for a school board candidate or school board candidates by voting system or paper ballot. However, the same method used to cast votes for all other offices for which candidates have qualified to be on the election ballot must be used for the board offices.

(k) If a vacancy in the board exists because of the death of a member, the remaining members of the board shall meet and select an individual to fill the vacancy in accordance with subsection (h) after the secretary of the board receives notice of the death under IC 5-8-6.

SECTION 33. IC 20-26-4-4.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: **Sec. 4.5. (a) This section applies to a school corporation subject to section 4 of this chapter.**

(b) The definitions in IC 3-5-2 apply to this section.

(c) If a vacancy in a school board office exists because of the death of a school board member, the remaining members of the governing body shall meet and select an individual to fill the vacancy after the secretary of the governing body receives notice of the death under IC 5-8-6 and in accordance with section 4 of this chapter.

SECTION 34. IC 34-17-3-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. **(a)** If judgment is rendered in favor of a person who claims to be the person entitled to hold the office:

(1) that person shall proceed to exercise the functions of the office after the person has been qualified, as required by law; and

(2) the court shall order the defendant to deliver all the funds and records in the custody or within the power of the defendant, belonging to the office from which the defendant has been removed:

(A) to the person entitled to hold the office; or

(B) if a vacancy results, to the court to hold until a person is selected **under subsection (b)** to fill the vacancy.

(b) This subsection applies whenever:

(1) the court renders a judgment under subsection (a) that an individual holding a public office (as that term is used in IC 34-17-1-1) is not entitled to hold that office; and

(2) a vacancy occurs in that office as the result of the court's judgment.

The court must file a certified copy of the judgment with the person who is entitled under IC 5-8-6 to receive notice of the death of an individual holding the public office. The person receiving the copy of the judgment must give notice of the judgment in the same manner as if the person had received a notice of the death of the officeholder under IC 5-8-6. The person required or permitted to fill the vacancy that results from a removal under this section must comply with IC 3-13 or IC 20, whichever applies, to fill the vacancy.

SECTION 35. IC 35-50-5-1.1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1.1. (a) Whenever a person is convicted of a misdemeanor under IC 35-44-1, the court may include in the sentence an order rendering the person incapable of holding a public office of trust or profit for a fixed period of not more than ten (10) years.

(b) If any officer of a governmental entity is convicted of a misdemeanor under IC 35-44-1, the court may enter an order removing the officer from office.

(c) This subsection applies whenever:

(1) the court enters an order under this section that applies to a person who is an officer of a governmental entity (as defined in IC 35-41-1-12); and

(2) a vacancy occurs in the office held by the person as the result of the court's order.

The court must file a certified copy of the order with the person who is entitled under IC 5-8-6 to receive notice of the death of an individual holding the office. The person receiving the copy of the order must give notice of the order in the same manner as if the person had received a notice of the death of the officeholder under IC 5-8-6. The person required or permitted to fill the vacancy that results from a removal under this section must comply with IC 3-13 or IC 20, whichever applies, to fill the vacancy.".

Renumber all SECTIONS consecutively.

(Reference is to SB 179 as printed January 20, 2005.)

and when so amended that said bill do pass.

Committee Vote: yeas 11, nays 0.

THOMAS, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Public Policy and Veterans Affairs, to which was referred Engrossed Senate Bill 217, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 1, between the enacting clause and line 1, begin a new paragraph and insert:

"SECTION 1. IC 8-15-2-17.2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 17.2. (a) Notwithstanding IC 9, the authority may adopt rules:

(1) Establishing weight and size limitations for vehicles using a toll road project, subject to the following:

(A) The operator of any vehicle exceeding any of the maximum allowable dimensions or weights as set out by the authority in rules and regulations shall apply to the authority in writing, for an application for a special hauling permit, which application must be in compliance with all the terms thereof, and which application must be received at least seven (7) days prior to the time of permitted entry should such permit be granted. Such permit, if granted, will be returned to the applicant in duplicate, properly completed and numbered, and the driver of the vehicle shall have a copy to present to the toll attendant on duty at the point of entry.

(B) The authority shall assess a fee for issuing a special hauling permit. In assessing the fee, the authority shall take into consideration the following factors:

(i) The administrative cost of issuing the permit.

(ii) The potential damage the vehicle represents to the project.

(iii) The potential safety hazard the vehicle represents.

(2) Establishing the ~~speed at which a vehicle may be driven on a toll road project, including a~~ minimum speed ~~and~~ **that** a ~~maximum speed not in excess of the maximum provided in IC 9 for~~ **motor vehicle may be driven on** the interstate defense network of dual highways.

(3) Designating one-way traffic lanes on a toll road project.

(4) Determining the manner of operation of **motor** vehicles entering and leaving traffic lanes on a toll road project.

(5) Determining the regulation of U-turns, of crossing or entering medians, of stopping, parking, or standing, and of

passing **motor** vehicles on a toll road project.

(6) Determining the establishment and enforcement of traffic control signs and signals for **motor** vehicles in traffic lanes, acceleration and deceleration lanes, toll plazas, and interchanges on a toll road project.

(7) Determining the limitation of entry to and exit from a toll road project to designated entrances and exits.

(8) Determining the limitation on use of a toll road project by pedestrians and aircraft and by vehicles of a type specified in such rules and regulations.

(9) Regulating commercial activity on a toll road project, including but not limited to:

(A) the offering or display of goods or services for sale;

(B) the posting, distributing, or displaying of signs, advertisements, or other printed or written material; and

(C) the operation of a mobile or stationary public address system.

(b) A person who violates a rule adopted under this section commits a Class C infraction. However, a violation of a weight limitation established by the authority under this section is:

(1) a Class B infraction if the total of all excesses of weight under those limitations is more than five thousand (5,000) pounds but not more than ten thousand (10,000) pounds; and

(2) a Class A infraction if the total of all excesses of weight under those limitations is more than ten thousand (10,000) pounds.

(c) It is a defense to the charge of violating a weight limitation established by the authority under this section that the total of all excesses of weight under those limitations is less than one thousand (1,000) pounds.

(d) The court may suspend the registration of a vehicle that violated a size or weight limitation established by the authority under this section for a period of not more than ninety (90) days.

(e) Upon the conviction of a person for a violation of a weight or size limitation established by the authority under this section, the court may recommend suspension of ~~his~~ **the person's** current chauffeur's license only if the violation was committed knowingly.".

Page 1, line 10, strike "and".

Page 1, line 10, delete "." and insert ", **(5), (6), and (7).**".

Page 2, between lines 4 and 5, begin a new line block indented and insert:

"**(5) Sixty-five (65) miles per hour on:**

(A) U.S. 20 from the intersection of U.S. 20 and County Road 17 in Elkhart County to the intersection of U.S. 20 and U.S. 31 in St. Joseph County;

(B) U.S. 31 from the intersection of U.S. 31 and U.S. 20 in St. Joseph County to the boundary line between Indiana and Michigan; and

(C) a highway classified by the Indiana department of transportation as an INDOT Freeway.

(6) On a highway that is the responsibility of the Indiana transportation finance authority established by IC 8-9.5-8-2:

(A) seventy (70) miles per hour for:

(i) a motor vehicle having a declared gross weight of not more than twenty-six thousand (26,000) pounds; or

(ii) a bus; or

(B) sixty-five (65) miles per hour for a motor vehicle having a declared gross weight greater than twenty-six (26,000) thousand pounds.

(7) Sixty (60) miles per hour on a highway that:

(A) is not designated as a part of the national system of interstate and defense highways;

(B) has four (4) or more lanes;

(C) is divided into two (2) or more roadways by:

(i) an intervening space that is unimproved and not intended for vehicular travel;

(ii) a physical barrier; or

(iii) a dividing section constructed to impede vehicular traffic; and

(D) is located outside an urbanized area (as defined in 23 U.S.C. 101) with a population of at least fifty thousand (50,000).".

Page 2, line 5, strike "(5)" and insert "**(8)**".

Page 2, after line 5, begin a new paragraph and insert:

"SECTION 3. IC 9-21-5-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. The maximum speed limits set forth in section 2 of this chapter may be altered as follows:

(1) By local jurisdictions under section 6 of this chapter.

(2) By the Indiana department of transportation under section 12 of this chapter.

~~(3) By the transportation finance authority under IC 8-15-2-17.2.~~

~~(4)~~ **(3)** For the purposes of speed limits on a highway on the national system of interstate and defense highways, by order of the commissioner of the Indiana department of transportation to conform to any federal regulation concerning state speed limit laws.

~~(5)~~ **(4)** In worksites, by all jurisdictions under section 11 of this chapter.

SECTION 4. IC 9-26-3-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. **(a)** The state police department shall tabulate and may analyze all accident reports and shall publish annually or at more frequent intervals statistical information based on the reports as to the number and circumstances of traffic accidents, **including:**

(1) the total number of accidents; and

(2) the total number of fatalities resulting from traffic accidents.

(b) Beginning April 30, 2006, and on April 30 of each year thereafter, if the number of fatalities reported in subsection (a) exceeds the average annual number of fatalities in traffic accidents from the previous five (5) years by at least seven percent (7%), the state police department shall submit the report to the legislative council and to the chairpersons of the committees of the house of representatives and the senate that consider transportation issues. The reports required under this subsection must be in an electronic format under IC 5-14-6.

SECTION 5. IC 35-42-2-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. (a) **As used in this section, "aggressive driving" means one (1) episode of continuous driving of a vehicle by a person:**

(1) that results in:

(A) bodily injury to another person; or

(B) property damage to the vehicle of another person; and

(2) during which at least three (3) of the following acts occur:

(A) Following a vehicle too closely in violation of IC 9-21-8-14.

(B) Unsafe operation of a vehicle in violation of IC 9-21-8-24.

(C) Overtaking another vehicle on the right by driving off the roadway in violation of IC 9-21-8-6.

(D) Unsafe stopping or slowing a vehicle in violation of IC 9-21-8-26.

(E) Unnecessary sounding of the horn in violation of IC 9-19-5-2.

(F) Failure to yield in violation of IC 9-21-8-29 through IC 9-21-8-34.

(G) Failure to obey a traffic control device in violation of IC 9-21-8-41.

(H) Driving at an unsafe speed in violation of IC 9-21-5.

(I) Repeatedly flashing the vehicle's headlights.

(b) As used in this section, "hazing" means forcing or requiring another person:

(1) with or without the consent of the other person; and

(2) as a condition of association with a group or organization;

to perform an act that creates a substantial risk of bodily injury.

~~(b)~~ **(c)** A person who recklessly, knowingly, or intentionally performs:

(1) an act that creates a substantial risk of bodily injury to another person; or

(2) hazing;

commits criminal recklessness. Except as provided in ~~subsection (c),~~ **subsections (d) and (e),** criminal recklessness is a Class B misdemeanor.

~~(c)~~ **(d)** The offense of criminal recklessness as defined in subsection ~~(b)~~ **(c)** is:

(1) a Class A misdemeanor if:

(A) the conduct includes the use of a vehicle; **or**

(B) the person engaged in aggressive driving;

(2) a Class D felony if it is committed while:

(A) armed with a deadly weapon; or

(B) the person engaged in aggressive driving and caused serious bodily injury to another person; or

(3) a Class C felony if:

(A) it is committed by shooting a firearm ~~from a vehicle~~ into an inhabited dwelling or other building or place where people are likely to gather; **or**

(B) it:

(i) is committed while the person engaged in aggressive driving; and

(ii) caused the death of another person.

~~(d)~~ **(e)** A person who recklessly, knowingly, or intentionally:

(1) inflicts serious bodily injury on another person; or

(2) performs hazing that results in serious bodily injury to a person;

commits criminal recklessness, a Class D felony. However, the offense is a Class C felony if committed by means of a deadly weapon.

~~(e)~~ **(f)** A person, other than a person who has committed an offense under this section or a delinquent act that would be an offense under this section if the violator was an adult, who:

(1) makes a report of hazing in good faith;

(2) participates in good faith in a judicial proceeding resulting from a report of hazing;

(3) employs a reporting or participating person described in subdivision (1) or (2); or

(4) supervises a reporting or participating person described in subdivision (1) or (2);

is not liable for civil damages or criminal penalties that might otherwise be imposed because of the report or participation.

~~(f)~~ **(g)** A person described in subsection ~~(e)(1)~~ **(f)(1)** or ~~(e)(2)~~ **(f)(2)** is presumed to act in good faith.

~~(g)~~ **(h)** A person described in subsection ~~(e)(1)~~ **(f)(1)** or ~~(e)(2)~~ **(f)(2)** may not be treated as acting in bad faith solely because the person did not have probable cause to believe that a person committed:

(1) an offense under this section; or

(2) a delinquent act that would be an offense under this section if the offender was an adult.

SECTION 6. [EFFECTIVE JULY 1, 2005] **IC 35-42-2-2, as amended by this act, applies only to offenses committed after June 30, 2005.**".

Renumber all SECTIONS consecutively.

(Reference is to SB 217 as printed February 4, 2005.)

and when so amended that said bill do pass.

Committee Vote: yeas 9, nays 2.

ALDERMAN, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Public Health, to which was referred Engrossed Senate Bill 224, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 1, between the enacting clause and line 1, begin a new paragraph and insert:

"SECTION 1. IC 12-12-8-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. As used in this chapter, "consumer control" means, with respect to a center for independent living or an eligible agency, that:

(1) the center or eligible agency vests power and authority in individuals with disabilities, including individuals who are or have been recipients of independent living services; **and**

(2) at least fifty-one percent (51%) of the center's board and staff are individuals with disabilities.

SECTION 2. IC 12-12-8-5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: **Sec. 5. As used in this chapter, "commissioner" means the commissioner of the Rehabilitation Services Administration in the United States Department of Education.**

SECTION 3. IC 12-12-8-6 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: **Sec. 6. As used in this chapter, "council" means the statewide independent living council established by section 12 of this chapter.**

SECTION 4. IC 12-12-8-7 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: **Sec. 7. As used in this chapter, "federal act" refers to the Federal Rehabilitation Act of 1973 (29 U.S.C. 701 et seq.) and amendments to that statute.**

SECTION 5. IC 12-12-8-8 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: **Sec. 8. As used in this chapter, "individual with a disability" means an individual who:**

(1) has a physical or mental impairment that substantially limits a major life activity;

(2) has a record of an impairment described in subdivision (1); or

(3) is regarded as having an impairment described in subdivision (1).

SECTION 6. IC 12-12-8-9 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: **Sec. 9. As used in this chapter, "individual with a significant disability" means an individual who has a significant physical or mental impairment that substantially limits the individual's ability to:**

(1) function independently in the family or community; or

(2) obtain, maintain, or advance in employment.

SECTION 7. IC 12-12-8-10 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: **Sec. 10. As used in this chapter, "state plan" means the materials jointly developed and submitted annually by the division to the commissioner containing the state's proposals for the following:**

(1) The provision of statewide independent living services.

(2) The development and support of a statewide network of centers for independent living.

(3) Working relationships among:

(A) programs providing independent living services and independent living centers; and

(B) the vocational rehabilitation program administered by the division under the federal act and other programs providing services for individuals with disabilities.

SECTION 8. IC 12-12-8-11 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: **Sec. 11. The division is designated as the state unit under Title VII of the federal act and has the following responsibilities:**

(1) To receive, account for, and disburse funds received by the state under the federal act based on the state plan.

(2) To provide administrative support services to centers for independent living programs.

(3) To keep records and take actions with respect to the records as required by the commissioner.

(4) To submit additional information or provide assurances with respect to the independent living programs as required by the commissioner.

SECTION 9. IC 12-12-8-12 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: **Sec. 12. (a) There is established a statewide independent living council as an entity within the division.**

(b) The council consists of at least twenty (20) members appointed by the governor, including the following:

(1) Each director of a center for independent living located in Indiana.

(2) Nonvoting members from state agencies that provide services for individuals with disabilities.

(3) Other members, that may include the following:

(A) Representatives of centers for independent living.

(B) Parents and guardians of individuals with disabilities.

(C) Advocates for individuals with disabilities.

(D) Representatives from private business.

(E) Representative of organizations that provide services for individuals with disabilities.

(F) Other appropriate individuals.

(c) The members appointed under subsection (b) must:

(1) provide statewide representation;

(2) represent a broad range of individuals with disabilities from diverse backgrounds;

(3) be knowledgeable about centers for independent living and independent living services; and

(4) include a majority of members who are not employed by a state agency or a center for independent living.

SECTION 10. IC 12-12-8-13 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: **Sec. 13. (a) Each member of the council who is not a state employee is entitled to the minimum salary per diem provided by IC 4-10-11-2.1(b). The member is also entitled to reimbursement for traveling expenses as provided under IC 4-13-1-4 and other expenses actually incurred in connection with the member's duties as provided in the state policies and procedures established by the Indiana department of administration and approved by the budget agency.**

(b) Each member of the council who is a state employee is entitled to reimbursement for traveling expenses as provided under IC 4-13-1-4 and other expenses actually incurred in connection with the member's duties as provided in the state policies and procedures established by the Indiana department of administration and approved by the budget agency.

SECTION 11. IC 12-12-8-14 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: **Sec. 14. (a) A member appointed to the council by the governor serves a term of three (3) years, beginning on July 1 after appointment. However, a member appointed to fill a vacancy on the council serves for the remainder of the unexpired term.**

(b) A member appointed to the council by the governor may not serve more than two (2) consecutive terms.

SECTION 12. IC 12-12-8-15 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: **Sec. 15. If a vacancy occurs among the voting members of the council, the original appointing authority shall appoint a qualified individual to serve for the unexpired term of the vacating member.**

SECTION 13. IC 12-12-8-16 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: **Sec. 16. (a) The council has the powers and duties specified in this chapter.**

(b) The council may do the following:

(1) Jointly develop and sign the state plan in conjunction with the designated state unit.

(2) Monitor, review, and evaluate the implementation of the state plan.

(3) Coordinate activities with the state rehabilitation council and other councils that address the needs of specific disability issues.

(4) Submit periodic reports to the funding sources and provide access to the records that are necessary to verify contents of the reports.

(5) Do other things necessary and proper to implement this chapter.

(c) The council shall ensure that all meetings of the council are open to the public and in accessible formats with sufficient advance public notice.

SECTION 14. IC 12-12-8-17 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: **Sec. 17. The council and the division shall jointly prepare the state plan that must be submitted annually to the commissioner.**

SECTION 15. IC 12-12-8-18 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: **Sec. 18. The council and the division may award grants to any eligible center for independent living that receives funds under Title VII, Part B of the federal act.**

SECTION 16. IC 12-12-8-19 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: **Sec. 19. The council and the division shall jointly appoint a peer review committee to make recommendations for grants to new organizations eligible to be centers for independent living.**

SECTION 17. IC 12-12-8-20 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: **Sec. 20. A center for independent living is eligible to receive money under this chapter as long as the center complies with the standards and assurances required under Section 725 of the federal act. A center that receives only state or federal funds under Title VII, Part B of the federal act is subject to review by the division. A center that receives federal funds under Title VII, Part C of the federal act is subject to review by the federal government. A finding of noncompliance must be supported by a written report from the peer review committee appointed under section 19 of this chapter.**

SECTION 18. IC 12-12-8-21 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: **Sec. 21. A center for independent living that receives money under this chapter shall comply with the standards and assurances required under the state plan and Section 725 of the federal act. The center for independent living shall provide the required assurances to the council.**

SECTION 19. IC 12-12-8-22 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: **Sec. 22. (a) If:**

(1) there is no center for independent living serving a region of Indiana or a region of Indiana is underserved; and

(2) the state receives an increase in its federal allotment that is sufficient to support an additional center for independent living in Indiana;

the council and the division may award a grant to an eligible agency for a new center for independent living in the unserved or underserved region. A grant awarded under this section must be consistent with the provisions of the state plan establishing a statewide network of centers for independent living.

(b) The council shall rank eligible agencies applying for a grant under this section using the standards and assurances required under Section 725 of the federal act. The council shall consider the ability of the applicant to operate a center for independent living and shall select an applicant using the following criteria:

(1) Evidence of the need for a center for independent living in the applicant's region of Indiana that is consistent with the state plan.

(2) The past performance of the applicant in providing services comparable to independent living services.

(3) The applicant's plan for complying with, or demonstrated compliance with, the standards and assurances set forth in Section 725 of the federal act.

(4) The quality of the applicant's key personnel and the involvement of individuals with significant disabilities.

SECTION 20. IC 12-12-8-23 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: **Sec. 23. (a) The division shall periodically review each new center for independent living that receives:**

(1) money under Title VII, Part B of the federal act; or

(2) a grant under this chapter;

to determine whether the center is in compliance with the standards and assurances set forth in Section 725 of the federal act.

(b) If the division determines that a center reviewed under subsection (a) is not in compliance with the standards and assurances set forth in Section 725 of the federal act, the division shall immediately notify the center of the division's determination

of noncompliance. A center may appeal the determination by requesting a hearing from the office of the secretary not later than thirty (30) days after receiving notice from the division.

(c) Except as provided in subsection (d), the division shall terminate all funds to a center determined to be in noncompliance under this section not later than ninety (90) days after the date of:

(1) the division's notification of noncompliance; or

(2) a final decision by the office of the secretary in the case of a center that appeals the division's determination under subsection (b).

(d) The division may not terminate the funds of a center for independent living that is determined to be noncompliant with the standards and assurances set forth in Section 725 of the federal act if:

(1) the center submits to the division a plan for achieving compliance within ninety (90) days; and

(2) the division approves the plan.

A plan required under this subsection must be submitted not later than thirty (30) days after the center receives a notice of noncompliance from the division under subsection (b).".

Renumber all SECTIONS consecutively.

(Reference is to SB 224 as printed January 14, 2005.)

and when so amended that said bill do pass.

Committee Vote: yeas 8, nays 0.

BECKER, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Courts and Criminal Code, to which was referred Engrossed Senate Bill 233, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 2, between lines 21 and 22, begin a new paragraph and insert:

"SECTION 2. IC 35-45-2-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. (a) A person who communicates a threat to another person, with the intent:

(1) that the other person engage in conduct against the other person's will;

(2) that the other person be placed in fear of retaliation for a prior lawful act; or

(3) of causing:

(A) a dwelling, a building, or another structure; or

(B) a vehicle;

to be evacuated;

commits intimidation, a Class A misdemeanor.

(b) However, the offense is a:

(1) Class D felony if:

(A) the threat is to commit a forcible felony;

(B) the person to whom the threat is communicated:

(i) is a law enforcement officer;

(ii) is a judge or bailiff of any court;

(iii) is a witness (or the spouse or child of a witness) in any pending criminal proceeding against the person making the threat;

(iv) is an employee of a school corporation; ~~or~~

(v) is a community policing volunteer;

(vi) is an employee of a court; or

(vii) is an employee of a probation department;

(C) the person has a prior unrelated conviction for an offense under this section concerning the same victim; or

(D) the threat is communicated using property, including electronic equipment or systems, of a school corporation or other governmental entity; and

(2) Class C felony if, while committing it, the person draws or uses a deadly weapon.

(c) "Threat" means an expression, by words or action, of an intention to:

(1) unlawfully injure the person threatened or another person, or damage property;

(2) unlawfully subject a person to physical confinement or restraint;

(3) commit a crime;

(4) unlawfully withhold official action, or cause such withholding;

(5) unlawfully withhold testimony or information with respect to another person's legal claim or defense, except for a reasonable claim for witness fees or expenses;

(6) expose the person threatened to hatred, contempt, disgrace, or ridicule;

(7) falsely harm the credit or business reputation of the person threatened; or

(8) cause the evacuation of a dwelling, a building, another structure, or a vehicle.

SECTION 3. IC 35-45-17 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:

Chapter 17. Panhandling

Sec. 1. (a) As used in this chapter, "panhandling" means to solicit an individual:

(1) on a street or in another public place; and

(2) by requesting an immediate donation of money or something else of value.

(b) The term includes soliciting an individual:

(1) by making an oral request;

(2) in exchange for:

(A) performing music;

(B) singing; or

(C) engaging in another type of performance; or

(3) by offering the individual an item of little or no monetary value in exchange for money or another gratuity under circumstances that would cause a reasonable individual to understand that the transaction is only a donation.

(c) The term does not include an act of passively standing, sitting, performing music, singing, or engaging in another type of performance:

(1) while displaying a sign or other indication that a donation is being sought; and

(2) without making an oral request other than in response to an inquiry by another person.

Sec. 2. A person who knowingly or intentionally does any of the following commits panhandling, a Class C misdemeanor:

(1) Panhandling after sunset and before sunrise.

(2) Panhandling when the individual being solicited is:

(A) at a bus stop;

(B) in a:

(i) vehicle; or

(ii) facility;

used for public transportation;

(C) in a motor vehicle that is parked or stopped on a public street or alley, unless the person soliciting the individual has the approval to do so by a unit of local government that has jurisdiction over the public street or alley;

(D) in the sidewalk dining area of a restaurant; or

(E) within twenty (20) feet of:

(i) an automatic teller machine; or

(ii) the entrance to a bank.

(3) Panhandling while touching the individual being solicited without the solicited individual's consent.

(4) Panhandling while the individual being solicited is standing in line and waiting to be admitted to a commercial establishment.

(5) Panhandling while blocking:

(A) the path of the individual being solicited; or

(B) the entrance to a building or motor vehicle.

(6) Panhandling while using profane or abusive language:

(A) during a solicitation; or

(B) after the individual being solicited has declined to donate money or something else of value.

(7) Panhandling while making a statement, a gesture, or another communication to the individual being solicited that would cause a reasonable individual to:

(A) fear for the individual's safety; or

(B) feel compelled to donate.

(8) Panhandling with at least one (1) other individual.

(9) Panhandling and then following or accompanying the solicited individual without the solicited individual's consent after the solicited individual has declined to donate money or something else of value.".

Page 2, line 22, delete "," and insert "**and IC 35-45-2-1, both**".

Page 2, line 23, delete "applies" and insert "**and IC 35-45-17-2, as added by this act, apply only**".

Renumber all SECTIONS consecutively.

(Reference is to SB 233 as printed February 11, 2005.)

and when so amended that said bill do pass.

Committee Vote: yeas 10, nays 0.

ULMER, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Local Government, to which was referred Engrossed Senate Bill 244, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 1, line 1, delete "IC 5-28" and insert "IC 5-30".

Page 1, line 4, delete "28" and insert "**30**".

Page 3, line 21, delete "IC 5-28-4." and insert "**IC 5-30-4. The governing body must adopt the resolution at a public meeting for which public notice has been provided.**".

Page 4, line 6, delete ":" and insert "**, but not more than one (1) under each clause:**".

Page 4, delete line 8.

Page 4, line 9, delete "(C)" and insert "**(B)**".

Page 4, line 10, delete "(D)" and insert "**(C)**".

Page 4, line 12, delete ", a landscape architect,".

Page 4, between lines 28 and 29, begin a new paragraph and insert:

"**(c) Each member of the technical review committee must certify for each request for proposals that there is not a conflict of interest between the member and the design-builder responding to the request for proposals. If a conflict of interest exists, the member must be replaced before the review of any proposal.**".

Page 4, line 31, delete "IC 5-28-5" and insert "**IC 5-30-5**".

Page 4, line 33, delete "IC 5-28-6 and IC 5-28-7." and insert "**IC 5-30-6 and IC 5-30-7.**".

Page 4, line 42, delete "IC 5-28-2-2," and insert "**IC 5-30-2-2,**".

Page 5, line 1, after "IC 5-3-1." insert "**The notice must allow at least thirty (30) days for potential design-builders to respond to the request for qualifications.**".

Page 5, line 26, delete "and".

Page 5, line 27, delete "." and insert "**; and**

(H) experience in dealing with bonding authorities.".

Page 6, delete lines 32 through 35, begin a new line block indented and insert:

"**(5) The experience modifier rate, the United States Occupational Safety and Health Administration total recordable case incident rate (TCIR) and days away, restricted or transferred case incident rate (DART) for the design-builder and each design build team, and the average United States Occupational Safety and Health Administration TCIR and DART rates for the industrial classification of the design-builder and each design-build team.**".

Page 6, line 37, after "services" insert "**, including the employees of all subcontractors,**".

Page 6, line 38, delete "enrolling" and insert "**enrolled**".

Page 6, line 38, after "the" insert "**United States Department of Labor**".

Page 6, line 39, delete "Federal".

Page 6, line 39, after "Apprenticeship" insert "**and**".

Page 6, delete lines 40 through 42, begin a new line block indented and insert:

"**(7) Information regarding any prior serious, repeat, willful, or criminal violation of the federal Occupational Safety and Health Act of 1970 and any equivalent violation under a state plan authorized under Section 18 of the federal act that has become a final order.**".

Page 7, delete lines 1 through 2.

Page 7, line 28, delete "and not more than five (5)".

Page 8, line 7, delete "IC 5-28-6." and insert "**IC 5-30-6. The governing body must adopt the resolution at a public meeting for which public notice has been provided.**".

Page 8, line 10, delete "IC 5-28-5-6." and insert "**IC 5-30-5-6.**".

Page 8, line 28, delete "Conceptual" and insert "**Preliminary**".

Page 9, between lines 8 and 9, begin a new line block indented and insert:

"**(5) A determination of the common construction wage made under IC 5-16-7.**".

Page 9, line 9, delete "(5)" and insert "**(6)**".

Page 9, line 20, delete "IC 5-28-6" and insert "**IC 5-30-6**".

Page 9, line 27, after "construction services" insert "**, including any subcontractors,**".

Page 9, line 42, delete "." insert "**and administrative requirements.**".

Page 11, line 7, delete "IC 5-28-7-1(2)" and insert "**IC 5-30-7-1(2)**".

Page 11, line 11, delete "." and insert "**and a written determination by the public agency that a legitimate reason exists for the replacement.**".

Page 11, line 13, after "of" insert "**or may terminate**".

Page 11, after line 34, begin a new paragraph and insert:

"**Sec. 6. (a) A determination under IC 5-16-7-1(c) for a public project to be constructed under a design-build contract shall be made and filed with the public agency at least two (2) weeks before the date fixed for submission of the qualitative proposal and the price proposal under IC 5-30-6-5.**

(b) If the committee appointed under IC 5-16-7-1(b) fails to act and to file a determination under IC 5-16-7-1(c) within the time required by this section, the public agency shall make the determination, and its finding shall be final.

(c) The time periods set forth in this section apply to any construction services provided for a public project to be constructed under a design-build contract, instead of the time periods set forth in IC 5-16-7-1(f) and IC 5-16-7-1(g).".

(Reference is to SB 244 as printed February 18, 2005.)

and when so amended that said bill do pass.

Committee Vote: yeas 7, nays 3.

HINKLE, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Insurance, to which was referred Engrossed Senate Bill 253, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 5, after line 4, begin a new paragraph and insert:

"SECTION 2. IC 27-8-5-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. (a) No individual policy of accident and sickness insurance shall be delivered or issued for delivery to any person in this state unless it complies with each of the following:

(1) The entire money and other considerations for the policy are expressed in the policy.

(2) The time at which the insurance takes effect and terminates is expressed in the policy.

(3) The policy purports to insure only one (1) person, except that a policy may insure, originally or by subsequent amendment, upon the application of any member of a family who shall be deemed the policyholder and who is at least eighteen (18) years of age, any two (2) or more eligible members of that family, including husband, wife, dependent children or any children under a specified age, which shall not exceed nineteen (19) years, and any other person dependent upon the policyholder.

(4) The style, arrangement, and overall appearance of the policy give no undue prominence to any portion of the text, and unless every printed portion of the text of the policy and of any endorsements or attached papers is plainly printed in lightface

type of a style in general use, the size of which shall be uniform and not less than ten point with a lower-case unspaced alphabet length not less than one hundred and twenty point (the "text" shall include all printed matter except the name and address of the insurer, name or title of the policy, the brief description if any, and captions and subcaptions).

(5) The exceptions and reductions of indemnity are set forth in the policy and, except those which are set forth in section 3 of this chapter, are printed, at the insurer's option, either included with the benefit provision to which they apply, or under an appropriate caption such as "EXCEPTIONS", or "EXCEPTIONS AND REDUCTIONS", provided that if an exception or reduction specifically applies only to a particular benefit of the policy, a statement of such exception or reduction shall be included with the benefit provision to which it applies.

(6) Each such form of the policy, including riders and endorsements, shall be identified by a form number in the lower left-hand corner of the first page of the policy.

(7) The policy contains no provision purporting to make any portion of the charter, rules, constitution, or bylaws of the insurer a part of the policy unless such portion is set forth in full in the policy, except in the case of the incorporation of or reference to a statement of rates or classification of risks, or short-rate table filed with the commissioner.

(8) If an individual accident and sickness insurance policy or hospital service plan contract or medical service plan contract provides that hospital or medical expense coverage of a dependent child terminates upon attainment of the limiting age for dependent children specified in such policy or contract, the policy or contract must also provide that attainment of such limiting age does not operate to terminate the hospital and medical coverage of such child while the child is and continues to be both:

(A) incapable of self-sustaining employment by reason of mental retardation or mental or physical disability; and

(B) chiefly dependent upon the policyholder for support and maintenance.

Proof of such incapacity and dependency must be furnished to the insurer by the policyholder within thirty-one (31) days of the child's attainment of the limiting age. The insurer may require at reasonable intervals during the two (2) years following the child's attainment of the limiting age subsequent proof of the child's disability and dependency. After such two (2) year period, the insurer may require subsequent proof not more than once each year. The foregoing provision shall not require an insurer to insure a dependent who is a mentally retarded or mentally or physically disabled child where such dependent does not satisfy the conditions of the policy provisions as may be stated in the policy or contract required for coverage thereunder to take effect. In any such case the terms of the policy or contract shall apply with regard to the coverage or exclusion from coverage of such dependent.

This subsection applies only to policies or contracts delivered or issued for delivery in this state more than one hundred twenty (120) days after August 18, 1969.

(b) If any policy is issued by an insurer domiciled in this state for delivery to a person residing in another state, and if the official having responsibility for the administration of the insurance laws of such other state shall have advised the commissioner that any such policy is not subject to approval or disapproval by such official, the commissioner may by ruling require that such policy meet the standards set forth in subsection (a) and in section 3 of this chapter.

(c) An insurer may issue a policy described in this section in electronic or paper form.

SECTION 3. IC 27-8-5-19 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 19. (a) As used in this chapter, "late enrollee" has the meaning set forth in 26 U.S.C. 9801(b)(3).

(b) A policy of group accident and sickness insurance may not be issued to a group that has a legal situs in Indiana unless it contains in substance:

(1) the provisions described in subsection (c); or

(2) provisions that, in the opinion of the commissioner, are:

(A) more favorable to the persons insured; or

(B) at least as favorable to the persons insured and more favorable to the policyholder;

than the provisions set forth in subsection (c).

(c) The provisions referred to in subsection (b)(1) are as follows:

(1) A provision that the policyholder is entitled to a grace period of thirty-one (31) days for the payment of any premium due except the first, during which grace period the policy will continue in force, unless the policyholder has given the insurer written notice of discontinuance in advance of the date of discontinuance and in accordance with the terms of the policy. The policy may provide that the policyholder is liable to the insurer for the payment of a pro rata premium for the time the policy was in force during the grace period. A provision under this subdivision may provide that the insurer is not obligated to pay claims incurred during the grace period until the premium due is received.

(2) A provision that the validity of the policy may not be contested, except for nonpayment of premiums, after the policy has been in force for two (2) years after its date of issue, and that no statement made by a person covered under the policy relating to the person's insurability may be used in contesting the validity of the insurance with respect to which the statement was made, unless:

(A) the insurance has not been in force for a period of two (2) years or longer during the person's lifetime; or

(B) the statement is contained in a written instrument signed by the insured person.

However, a provision under this subdivision may not preclude the assertion at any time of defenses based upon a person's ineligibility for coverage under the policy or based upon other provisions in the policy.

(3) A provision that a copy of the application, if there is one, of the policyholder must be attached to the policy when issued, that all statements made by the policyholder or by the persons insured are to be deemed representations and not warranties, and that no statement made by any person insured may be used in any contest unless a copy of the instrument containing the statement is or has been furnished to the insured person or, in the event of death or incapacity of the insured person, to the insured person's beneficiary or personal representative.

(4) A provision setting forth the conditions, if any, under which the insurer reserves the right to require a person eligible for insurance to furnish evidence of individual insurability satisfactory to the insurer as a condition to part or all of the person's coverage.

(5) A provision specifying any additional exclusions or limitations applicable under the policy with respect to a disease or physical condition of a person that existed before the effective date of the person's coverage under the policy and that is not otherwise excluded from the person's coverage by name or specific description effective on the date of the person's loss. An exclusion or limitation that must be specified in a provision under this subdivision:

(A) may apply only to a disease or physical condition for which medical advice, diagnosis, care, or treatment was received by the person or recommended to the person during the six (6) months before the enrollment date of the person's coverage; and

(B) may not apply to a loss incurred or disability beginning after the earlier of:

(i) the end of a continuous period of twelve (12) months beginning on or after the enrollment date of the person's coverage; or

(ii) the end of a continuous period of eighteen (18) months beginning on the enrollment date of the person's coverage if the person is a late enrollee.

This subdivision applies only to group policies of accident and sickness insurance other than those described in section 2.5(a)(1) through 2.5(a)(8) of this chapter.

(6) A provision specifying any additional exclusions or limitations applicable under the policy with respect to a disease or physical condition of a person that existed before the effective date of the person's coverage under the policy. An

exclusion or limitation that must be specified in a provision under this subdivision:

(A) may apply only to a disease or physical condition for which medical advice or treatment was received by the person during a period of three hundred sixty-five (365) days before the effective date of the person's coverage; and

(B) may not apply to a loss incurred or disability beginning after the earlier of the following:

(i) The end of a continuous period of three hundred sixty-five (365) days, beginning on or after the effective date of the person's coverage, during which the person did not receive medical advice or treatment in connection with the disease or physical condition.

(ii) The end of the two (2) year period beginning on the effective date of the person's coverage.

This subdivision applies only to group policies of accident and sickness insurance described in section 2.5(a)(1) through 2.5(a)(8) of this chapter.

(7) If premiums or benefits under the policy vary according to a person's age, a provision specifying an equitable adjustment of:

(A) premiums;

(B) benefits; or

(C) both premiums and benefits;

to be made if the age of a covered person has been misstated. A provision under this subdivision must contain a clear statement of the method of adjustment to be used.

(8) A provision that the insurer will issue to the policyholder, for delivery to each person insured, a certificate, **in electronic or paper form,** setting forth a statement that:

(A) explains the insurance protection to which the person insured is entitled;

(B) indicates to whom the insurance benefits are payable; and

(C) explains any family member's or dependent's coverage under the policy.

(9) A provision stating that written notice of a claim must be given to the insurer within twenty (20) days after the occurrence or commencement of any loss covered by the policy, but that a failure to give notice within the twenty (20) day period does not invalidate or reduce any claim if it can be shown that it was not reasonably possible to give notice within that period and that notice was given as soon as was reasonably possible.

(10) A provision stating that:

(A) the insurer will furnish to the person making a claim, or to the policyholder for delivery to the person making a claim, forms usually furnished by the insurer for filing proof of loss; and

(B) if the forms are not furnished within fifteen (15) days after the insurer received notice of a claim, the person making the claim will be deemed to have complied with the requirements of the policy as to proof of loss upon submitting, within the time fixed in the policy for filing proof of loss, written proof covering the occurrence, character, and extent of the loss for which the claim is made.

(11) A provision stating that:

(A) in the case of a claim for loss of time for disability, written proof of the loss must be furnished to the insurer within ninety (90) days after the commencement of the period for which the insurer is liable, and that subsequent written proofs of the continuance of the disability must be furnished to the insurer at reasonable intervals as may be required by the insurer;

(B) in the case of a claim for any other loss, written proof of the loss must be furnished to the insurer within ninety (90) days after the date of the loss; and

(C) the failure to furnish proof within the time required under clause (A) or (B) does not invalidate or reduce any claim if it was not reasonably possible to furnish proof within that time, and if proof is furnished as soon as reasonably possible but (except in case of the absence of legal capacity of the claimant) no later than one (1) year from the time proof is otherwise required under the policy.

(12) A provision that:

(A) all benefits payable under the policy (other than benefits for loss of time) will be paid in accordance with IC 27-8-5.7; and

(B) subject to due proof of loss, all accrued benefits under the policy for loss of time will be paid not less frequently than monthly during the continuance of the period for which the insurer is liable, and any balance remaining unpaid at the termination of the period for which the insurer is liable will be paid as soon as possible after receipt of the proof of loss.

(13) A provision that benefits for loss of life of the person insured are payable to the beneficiary designated by the person insured. However, if the policy contains conditions pertaining to family status, the beneficiary may be the family member specified by the policy terms. In either case, payment of benefits for loss of life is subject to the provisions of the policy if no designated or specified beneficiary is living at the death of the person insured. All other benefits of the policy are payable to the person insured. The policy may also provide that if any benefit is payable to the estate of a person or to a person who is a minor or otherwise not competent to give a valid release, the insurer may pay the benefit, up to an amount of five thousand dollars ($5,000), to any relative by blood or connection by marriage of the person who is deemed by the insurer to be equitably entitled to the benefit.

(14) A provision that the insurer has the right and must be allowed the opportunity to:

(A) examine the person of the individual for whom a claim is made under the policy when and as often as the insurer reasonably requires during the pendency of the claim; and

(B) conduct an autopsy in case of death if it is not prohibited by law.

(15) A provision that no action at law or in equity may be brought to recover on the policy less than sixty (60) days after proof of loss is filed in accordance with the requirements of the policy and that no action may be brought at all more than three (3) years after the expiration of the time within which proof of loss is required by the policy.

(16) In the case of a policy insuring debtors, a provision that the insurer will furnish to the policyholder, for delivery to each debtor insured under the policy, a certificate of insurance describing the coverage and specifying that the benefits payable will first be applied to reduce or extinguish the indebtedness.

(17) If the policy provides that hospital or medical expense coverage of a dependent child of a group member terminates upon the child's attainment of the limiting age for dependent children set forth in the policy, a provision that the child's attainment of the limiting age does not terminate the hospital and medical coverage of the child while the child is:

(A) incapable of self-sustaining employment because of mental retardation or mental or physical disability; and

(B) chiefly dependent upon the group member for support and maintenance.

A provision under this subdivision may require that proof of the child's incapacity and dependency be furnished to the insurer by the group member within one hundred twenty (120) days of the child's attainment of the limiting age and, subsequently, at reasonable intervals during the two (2) years following the child's attainment of the limiting age. The policy may not require proof more than once per year in the time more than two (2) years after the child's attainment of the limiting age. This subdivision does not require an insurer to provide coverage to a mentally retarded or mentally or physically disabled child who does not satisfy the requirements of the group policy as to evidence of insurability or other requirements for coverage under the policy to take effect. In any case, the terms of the policy apply with regard to the coverage or exclusion from coverage of the child.

(18) A provision that complies with the group portability and guaranteed renewability provisions of the federal Health Insurance Portability and Accountability Act of 1996 (P.L.104-191).

(d) Subsection (c)(5), (c)(8), and (c)(13) do not apply to policies

insuring the lives of debtors. The standard provisions required under section 3(a) of this chapter for individual accident and sickness insurance policies do not apply to group accident and sickness insurance policies.

(e) If any policy provision required under subsection (c) is in whole or in part inapplicable to or inconsistent with the coverage provided by an insurer under a particular form of policy, the insurer, with the approval of the commissioner, shall delete the provision from the policy or modify the provision in such a manner as to make it consistent with the coverage provided by the policy.

(f) An insurer that issues a policy described in this section shall include in the insurer's enrollment materials information concerning the manner in which an individual insured under the policy may obtain a certificate described in subsection (c)(8).

SECTION 4. IC 27-8-5.5-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. (a) The commissioner shall prescribe by rule, after consultation with providers of health care or treatment, accident and sickness insurers, hospital, medical, and dental service corporations and other prepayment organizations, such accident and sickness insurance claim forms as the commissioner determines will provide for uniformity and simplicity in insurance reporting. The forms shall include, but need not be limited to, information regarding the medical diagnosis, treatment and prognosis of the patient, together with the details of charges incident to the providing of care, treatment or services, sufficient for the purpose of meeting the proof requirements of an accident or sickness insurance policy or a hospital, medical, or dental service contract.

(b) An accident and sickness insurer may not refuse to accept a claim submitted on duly promulgated uniform claim forms. However, an insurer may accept claims submitted on any other form.

(c) Accident and sickness insurer explanation of benefits paid statements or claims summary statements sent to an insured by the accident and sickness insurer **may be sent in electronic or paper form and** shall be in a format and written in a manner that promotes understanding by the insured by setting forth:

(1) the total dollar amount submitted to the insurer for payment;

(2) any reduction in the amount paid due to the application of any co-payment or deductible, along with an explanation of the amount of the co-payment or deductible applied under the insured's policy;

(3) any reduction in the amount paid due to the application of any other policy limitation or exclusion as set forth in the insured's policy along with an explanation thereof;

(4) the total dollar amount paid; and

(5) the total dollar amount remaining unpaid.

In addition, the explanation shall clearly set forth a toll free number that the insured may call to obtain additional information about any of the items contained in the explanation of benefits paid or claims summary statement.

(d) The commissioner may issue an order under IC 27-1-3-19(a) directing an accident and sickness insurer to comply with subsection (c).

(e) An accident and sickness insurer does not violate subsection (c) by using a document that the accident and sickness insurer has been required to use by the federal government or the state.

SECTION 5. IC 27-8-11-7 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: **Sec. 7. An insurer may provide to an insured in electronic or paper form a directory of providers with which the insurer has entered into an agreement under section 3 of this chapter.**

SECTION 6. IC 27-13-7-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. **(a)** A subscriber under a group contract must receive an evidence of coverage from:

(1) the group contract holder; or

(2) the health maintenance organization.

(b) A group contract holder or health maintenance organization may provide the evidence of coverage required under subsection (a) in electronic or paper form.

(c) A health maintenance organization shall include in the health maintenance organization's enrollment materials information concerning the manner in which a subscriber may obtain an evidence of coverage.

SECTION 7. IC 27-13-9-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. Upon:

(1) the enrollment; and

(2) each reenrollment;

of a subscriber, a health maintenance organization must provide to the subscriber **in electronic or paper form** a list of providers who provide health care services through the health maintenance organization. The health maintenance organization must also provide the list of providers **in electronic or paper form** to a potential enrollee upon request.

SECTION 8. IC 27-13-34-13 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 13. (a) Every subscriber of a limited service health maintenance organization shall be issued an evidence of coverage **in electronic or paper form,** which must contain a clear and complete statement of the following:

(1) The limited health services to which each enrollee is entitled.

(2) Any limitation of the services, kinds of services, or benefits to be provided.

(3) Any exclusions, including any copayment or other charges.

(4) Where and in what manner information is available as to where and how services may be obtained.

(5) The method for resolving complaints.

(b) Any amendment to the evidence of coverage may be provided to the subscriber in a separate document **in electronic or paper form.**

(c) A limited service health maintenance organization shall include in the limited service health maintenance organization's enrollment materials information concerning the manner in which a subscriber may obtain an evidence of coverage.".

Renumber all SECTIONS consecutively.

(Reference is to SB 253 as printed February 25, 2005.)

and when so amended that said bill do pass.

Committee Vote: yeas 8, nays 1.

RIPLEY, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Local Government, to which was referred Engrossed Senate Bill 308, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Delete the title and insert the following:

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

Between the enacting clause and line 1, begin a new paragraph and insert:

"SECTION 1. IC 5-10.2-1-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 8. (a) Except as provided in subsection (b), "vested status" as used in this article means the status of having ten (10) years of creditable service.

(b) In the case of a person who is an elected county official whose governing body has provided for the county official's participation in the public employees' retirement fund under IC 5-10.3-7-2(1), "vested status" means the status of having:

(1) at least eight (8) years of creditable service as an elected county official in an office described in IC 5-10.2-4-1.7; ~~or~~

(2) been elected at least two (2) times if the person would have had at least eight (8) years of creditable service as an elected county official in an office described in IC 5-10.2-4-1.7 had the person's term of office not been shortened under a statute enacted under Article 6, Section 2(b) of the Constitution of the State of Indiana; or

~~(2)~~ **(3)** at least ten (10) years of creditable service as a member of the fund based on a combination of service as an elected county official and as a full-time employee in a covered position.

(c) In the case of a person whose term of office commences after the election on November 5, 2002, as Auditor of State, Secretary of State, or Treasurer of State, and who is prohibited by Article 6, Section 1 of the Constitution of the State of Indiana from serving in that office for more than eight (8) years during any period of twelve (12) years, that person shall be vested with at least eight (8) years of

creditable service as a member of the fund.

SECTION 2. IC 5-10.2-4-1.7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1.7. (a) This section applies only to members of the public employees' retirement fund who retire after June 30, 2002.

(b) A member is eligible for normal retirement after becoming sixty-five (65) years of age if the member:

(1) has:

(A) served as an elected county official in an office described in Article 6, Section 2 of the Constitution of the State of Indiana for at least eight (8) years; **or**

(B) been elected at least two (2) times and would have served at least eight (8) years as an elected county official in an office described in Article 6, Section 2 of the Constitution of the State of Indiana had the member's term of office not been shortened under a statute enacted under Article 6, Section 2(b) of the Constitution of the State of Indiana; and

(2) is prohibited by Article 6, Section 2 of the Constitution of the State of Indiana from serving in that office for more than eight (8) years in any period of twelve (12) years.

(c) A member who:

(1) has served as an elected county official; and

(2) does not meet the requirements of subsection (b);

is eligible for normal retirement if the member has attained vested status (as defined in ~~IC 5-10.2-1-8(b)(2))~~ **IC 5-10.2-1-8(b)(3))** and meets the requirements of section 1 of this chapter.".

Page 9, line 29, after "trustee-assessor" insert "**elected**".

Page 10, between lines 3 and 4, begin a new paragraph and insert:

"**(d) A trustee assessor who does not comply with subsection (b) relinquishes all duties relating to real property assessment to the county assessor until the trustee assessor complies with subsection (b).**

(e) Not later than six (6) months after taking office, a trustee assessor must notify the county assessor in writing concerning whether the trustee assessor intends to comply with subsection (b). A trustee assessor who notifies the county assessor that the trustee assessor does not intend to comply with subsection (b) relinquishes all duties relating to real property assessment to the county assessor until the trustee assessor complies with subsection (b).".

Page 10, between lines 9 and 10, begin a new paragraph and insert:

"SECTION 14. IC 36-1-8-15 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: **Sec. 15. (a) This section is enacted to implement Article 6, Section 2(b) of the Constitution of the State of Indiana.**

(b) This section applies to an individual:

(1) who was elected at least two (2) times to a county office; and

(2) who would have served at least eight (8) years in the elected county office had the individual's term of office not been shortened under a statute enacted under Article 6, Section 2(b) of the Constitution of the State of Indiana.

(c) As used in this section, "benefit of office" refers to a benefit to which an individual who holds an elected county office is entitled because of a statute, an ordinance, or a contract.

(d) As used in this section, "county office" refers to any of the county offices referred to in Article 6, Section 2 of the Constitution of the State of Indiana.

(e) An individual described in subsection (b) who is otherwise entitled to a benefit of office may not be deprived of the benefit of office based on a requirement in any other statute or any ordinance or contract that to be eligible for the benefit of office an individual must hold elected county office for at least eight (8) years.".

Page 11, after line 26, begin a new paragraph and insert:

"SECTION 19. [EFFECTIVE JULY 1, 2005] **(a) As used in this SECTION, "county office" has the meaning set forth in IC 36-1-8-15, as added by this act.**

(b) The general assembly finds the following:

(1) That due to events that occurred at different times in Indiana's history, the beginning of the terms of certain elected county offices vary from a uniform date due to changes in the dates of general elections, vacancies in offices, and other events described by the Indiana supreme court in the following cases:

(A) Howard v. State, 10 Ind. 74 (Ind. 1857).

(B) Greible v. State, 12 N.E. 700 (Ind. 1887).

(C) State v. Menaugh, 51 N.E. 117 (Ind. 1898).

(D) Scott v. State, 52 N.E. 163 (Ind. 1898).

(2) That on many occasions at the beginning of the twentieth century, the general assembly attempted to standardize the beginning of the terms of county offices.

(3) That the voters of Indiana approved an amendment to Article 6, Section 2 of the Constitution of the State of Indiana at the November 2004 general election authorizing the general assembly to "provide by law for uniform dates for beginning the terms" of county offices.

(4) That the variation in the beginning dates of the terms of county offices is not a general condition but affects only a known and fixed set of county offices.

(5) That a statement of a rule applicable to each county office whose term varies from a uniform date would be clearer in application than a general statement of a rule to make the beginning of the terms of those county offices uniform.

(c) The general assembly enacts SECTIONS 20 through 93 of this act to:

(1) provide a rule applicable to each county office whose term of office deviates from a uniform date as of June 30, 2005; and

(2) implement Article 6, Section 2(b) of the Constitution of the State of Indiana to provide for a uniform date for beginning the terms of county offices described in Article 6, Section 2(a) of the Constitution of the State of Indiana.

(d) This SECTION expires January 1, 2018.

SECTION 20. [EFFECTIVE JULY 1, 2005] **(a) As used in this SECTION, "clerk" refers to the clerk of the circuit court of Adams County.**

(b) Notwithstanding any other law concerning terms of office, the following apply:

(1) The individual elected to the office of clerk at the November 2002 general election is entitled to serve in the office until January 1, 2008.

(2) The individual elected to the office of clerk at the November 2006 general election is entitled to:

(A) take office on January 1, 2008, if the individual qualifies; and

(B) serve in the office until January 1, 2011.

(3) The individual elected to the office of clerk at the November 2010 general election is entitled to:

(A) take office on January 1, 2011, if the individual qualifies; and

(B) serve in the office until January 1, 2015.

(c) This SECTION expires January 1, 2016.

SECTION 21. [EFFECTIVE JULY 1, 2005] **(a) As used in this SECTION, "treasurer" refers to the treasurer of Adams County.**

(b) Notwithstanding any other law concerning terms of office, the following apply:

(1) The individual elected to the office of treasurer at the November 2004 general election is entitled to serve in the office until January 1, 2010.

(2) The individual elected to the office of treasurer at the November 2008 general election is entitled to:

(A) take office on January 1, 2010, if the individual qualifies; and

(B) serve in the office until January 1, 2013.

(3) The individual elected to the office of treasurer at the November 2012 general election is entitled to:

(A) take office on January 1, 2013, if the individual qualifies; and

(B) serve in the office until January 1, 2017.

(c) This SECTION expires January 1, 2018.

SECTION 22. [EFFECTIVE JULY 1, 2005] **(a) As used in this SECTION, "clerk" refers to the clerk of the circuit court of Bartholomew County.**

(b) Notwithstanding any other law concerning terms of office, the following apply:

(1) The individual elected to the office of clerk at the November 2002 general election is entitled to serve in the office until January 1, 2008.

(2) The individual elected to the office of clerk at the November 2006 general election is entitled to:

(A) take office on January 1, 2008, if the individual qualifies; and

(B) serve in the office until January 1, 2011.

(3) The individual elected to the office of clerk at the November 2010 general election is entitled to:

(A) take office on January 1, 2011, if the individual qualifies; and

(B) serve in the office until January 1, 2015.

(c) This SECTION expires January 1, 2016.

SECTION 23. [EFFECTIVE JULY 1, 2005] **(a) As used in this SECTION, "clerk" refers to the clerk of the circuit court of Blackford County.**

(b) Notwithstanding any other law concerning terms of office, the following apply:

(1) The individual elected to the office of clerk at the November 2004 general election is entitled to serve in the office until January 1, 2010.

(2) The individual elected to the office of clerk at the November 2008 general election is entitled to:

(A) take office January 1, 2010, if the individual qualifies; and

(B) serve in the office until January 1, 2013.

(3) The individual elected to the office of clerk at the November 2012 general election is entitled to:

(A) take office January 1, 2013, if the individual qualifies; and

(B) serve in the office until January 1, 2017.

(c) This SECTION expires January 1, 2018.

SECTION 24. [EFFECTIVE JULY 1, 2005] **(a) As used in this SECTION, "recorder" refers to the recorder of Blackford County.**

(b) Notwithstanding any other law concerning terms of office, the following apply:

(1) The individual elected to the office of recorder at the November 2004 general election is entitled to serve in the office until January 1, 2010.

(2) The individual elected to the office of recorder at the November 2008 general election is entitled to:

(A) take office January 1, 2010, if the individual qualifies; and

(B) serve in the office until January 1, 2013.

(3) The individual elected to the office of recorder at the November 2012 general election is entitled to:

(A) take office January 1, 2013, if the individual qualifies; and

(B) serve in the office until January 1, 2017.

(c) This SECTION expires January 1, 2018.

SECTION 25. [EFFECTIVE JULY 1, 2005] **(a) As used in this SECTION, "clerk" refers to the clerk of the circuit court of Brown County.**

(b) Notwithstanding any other law concerning terms of office, the following apply:

(1) The individual elected to the office of clerk at the November 2002 general election is entitled to serve in the office until January 1, 2008.

(2) The individual elected to the office of clerk at the November 2006 general election is entitled to:

(A) take office January 1, 2008, if the individual qualifies; and

(B) serve in the office until January 1, 2011.

(3) The individual elected to the office of clerk at the November 2010 general election is entitled to:

(A) take office January 1, 2011, if the individual qualifies; and

(B) serve in the office until January 1, 2015.

(c) This SECTION expires January 1, 2016.

SECTION 26. [EFFECTIVE JULY 1, 2005] **(a) As used in this SECTION, "recorder" refers to the recorder of Cass County.**

(b) Notwithstanding any other law concerning terms of office, the following apply:

(1) The individual elected to the office of recorder at the November 2002 general election is entitled to serve in the office until January 1, 2008.

(2) The individual elected to the office of recorder at the November 2006 general election is entitled to:

(A) take office January 1, 2008, if the individual qualifies; and

(B) serve in the office until January 1, 2011.

(3) The individual elected to the office of recorder at the November 2010 general election is entitled to:

(A) take office January 1, 2011, if the individual qualifies; and

(B) serve in the office until January 1, 2015.

(c) This SECTION expires January 1, 2016.

SECTION 27. [EFFECTIVE JULY 1, 2005] **(a) As used in this SECTION, "auditor" refers to the auditor of Clark County.**

(b) Notwithstanding any other law concerning terms of office, the following apply:

(1) The individual elected to the office of auditor at the November 2002 general election is entitled to serve in the office until January 1, 2008.

(2) The individual elected to the office of auditor at the November 2006 general election is entitled to:

(A) take office January 1, 2008, if the individual qualifies; and

(B) serve in the office until January 1, 2011.

(3) The individual elected to the office of auditor at the November 2010 general election is entitled to:

(A) take office January 1, 2011, if the individual qualifies; and

(B) serve in the office until January 1, 2015.

(c) This SECTION expires January 1, 2016.

SECTION 28. [EFFECTIVE JULY 1, 2005] **(a) As used in this SECTION, "clerk" refers to the clerk of the circuit court of Clark County.**

(b) Notwithstanding any other law concerning terms of office, the following apply:

(1) The individual elected to the office of clerk at the November 2002 general election is entitled to serve in the office until January 1, 2008.

(2) The individual elected to the office of clerk at the November 2006 general election is entitled to:

(A) take office January 1, 2008, if the individual qualifies; and

(B) serve in the office until January 1, 2011.

(3) The individual elected to the office of clerk at the November 2010 general election is entitled to:

(A) take office January 1, 2011, if the individual qualifies; and

(B) serve in the office until January 1, 2015.

(c) This SECTION expires January 1, 2016.

SECTION 29. [EFFECTIVE JULY 1, 2005] **(a) As used in this SECTION, "treasurer" refers to the treasurer of Clay County.**

(b) Notwithstanding any other law concerning terms of office, the following apply:

(1) The individual elected to the office of treasurer at the November 2002 general election is entitled to serve in the office until January 1, 2008.

(2) The individual elected to the office of treasurer at the November 2006 general election is entitled to:

(A) take office January 1, 2008, if the individual qualifies; and

(B) serve in the office until January 1, 2011.

(3) The individual elected to the office of treasurer at the November 2010 general election is entitled to:

(A) take office January 1, 2011, if the individual qualifies; and

(B) serve in the office until January 1, 2015.

(c) This SECTION expires January 1, 2016.

SECTION 30. [EFFECTIVE JULY 1, 2005] **(a) As used in this SECTION, "clerk" refers to the clerk of the circuit court of**

Clinton County.

(b) Notwithstanding any other law concerning terms of office, the following apply:

(1) The individual elected to the office of clerk at the November 2002 general election is entitled to serve in the office until January 1, 2008.

(2) The individual elected to the office of clerk at the November 2006 general election is entitled to:

(A) take office January 1, 2008, if the individual qualifies; and

(B) serve in the office until January 1, 2011.

(3) The individual elected to the office of clerk at the November 2010 general election is entitled to:

(A) take office January 1, 2011, if the individual qualifies; and

(B) serve in the office until January 1, 2015.

(c) This SECTION expires January 1, 2016.

SECTION 31. [EFFECTIVE JULY 1, 2005] (a) As used in this SECTION, "recorder" refers to the recorder of Clinton County.

(b) Notwithstanding any other law concerning terms of office, the following apply:

(1) The individual elected to the office of recorder at the November 2004 general election is entitled to serve in the office until January 1, 2010.

(2) The individual elected to the office of recorder at the November 2008 general election is entitled to:

(A) take office January 1, 2010, if the individual qualifies; and

(B) serve in the office until January 1, 2013.

(3) The individual elected to the office of recorder at the November 2012 general election is entitled to:

(A) take office January 1, 2013, if the individual qualifies; and

(B) serve in the office until January 1, 2017.

(c) This SECTION expires January 1, 2018.

SECTION 32. [EFFECTIVE JULY 1, 2005] (a) As used in this SECTION, "clerk" refers to the clerk of the circuit court of Daviess County.

(b) Notwithstanding any other law concerning terms of office, the following apply:

(1) The individual elected to the office of clerk at the November 2002 general election is entitled to serve in the office until March 13, 2008.

(2) The individual elected to the office of clerk at the November 2006 general election is entitled to:

(A) take office March 13, 2008, if the individual qualifies; and

(B) serve in the office until January 1, 2011.

(3) The individual elected to the office of clerk at the November 2010 general election is entitled to:

(A) take office January 1, 2011, if the individual qualifies; and

(B) serve in the office until January 1, 2015.

(c) This SECTION expires January 1, 2016.

SECTION 33. [EFFECTIVE JULY 1, 2005] (a) As used in this SECTION, "coroner" refers to the coroner of Daviess County.

(b) Notwithstanding any other law concerning terms of office, the following apply:

(1) The individual elected to the office of coroner at the November 2004 general election is entitled to serve in the office until January 1, 2010.

(2) The individual elected to the office of coroner at the November 2008 general election is entitled to:

(A) take office January 1, 2010, if the individual qualifies; and

(B) serve in the office until January 1, 2013.

(3) The individual elected to the office of coroner at the November 2012 general election is entitled to:

(A) take office January 1, 2013, if the individual qualifies; and

(B) serve in the office until January 1, 2017.

(c) This SECTION expires January 1, 2018.

SECTION 34. [EFFECTIVE JULY 1, 2005] (a) As used in this SECTION, "recorder" refers to the recorder of Dearborn County.

(b) Notwithstanding any other law concerning terms of office, the following apply:

(1) The individual elected to the office of recorder at the November 2002 general election is entitled to serve in the office until January 1, 2008.

(2) The individual elected to the office of recorder at the November 2006 general election is entitled to:

(A) take office January 1, 2008, if the individual qualifies; and

(B) serve in the office until January 1, 2011.

(3) The individual elected to the office of recorder at the November 2010 general election is entitled to:

(A) take office January 1, 2011, if the individual qualifies; and

(B) serve in the office until January 1, 2015.

(c) This SECTION expires January 1, 2016.

SECTION 35. [EFFECTIVE JULY 1, 2005] (a) As used in this SECTION, "clerk" refers to the clerk of the circuit court of Decatur County.

(b) Notwithstanding any other law concerning terms of office, the following apply:

(1) The individual elected to the office of clerk at the November 2002 general election is entitled to serve in the office until January 1, 2008.

(2) The individual elected to the office of clerk at the November 2006 general election is entitled to:

(A) take office January 1, 2008, if the individual qualifies; and

(B) serve in the office until January 1, 2011.

(3) The individual elected to the office of clerk at the November 2010 general election is entitled to:

(A) take office January 1, 2011, if the individual qualifies; and

(B) serve in the office until January 1, 2015.

(c) This SECTION expires January 1, 2016.

SECTION 36. [EFFECTIVE JULY 1, 2005] (a) As used in this SECTION, "recorder" refers to the recorder of Decatur County.

(b) Notwithstanding any other law concerning terms of office, the following apply:

(1) The individual elected to the office of recorder at the November 2002 general election is entitled to serve in the office until January 1, 2008.

(2) The individual elected to the office of recorder at the November 2006 general election is entitled to:

(A) take office January 1, 2008, if the individual qualifies; and

(B) serve in the office until January 1, 2011.

(3) The individual elected to the office of recorder at the November 2010 general election is entitled to:

(A) take office January 1, 2011, if the individual qualifies; and

(B) serve in the office until January 1, 2015.

(c) This SECTION expires January 1, 2016.

SECTION 37. [EFFECTIVE JULY 1, 2005] (a) As used in this SECTION, "clerk" refers to the clerk of the circuit court of Delaware County.

(b) Notwithstanding any other law concerning terms of office, the following apply:

(1) The individual elected to the office of clerk at the November 2002 general election is entitled to serve in the office until January 1, 2008.

(2) The individual elected to the office of clerk at the November 2006 general election is entitled to:

(A) take office January 1, 2008, if the individual qualifies; and

(B) serve in the office until January 1, 2011.

(3) The individual elected to the office of clerk at the November 2010 general election is entitled to:

(A) take office January 1, 2011, if the individual qualifies; and

(B) serve in the office until January 1, 2015.

(c) This SECTION expires January 1, 2016.

SECTION 38. [EFFECTIVE JULY 1, 2005] (a) As used in this

SECTION, "auditor" refers to the auditor of Dubois County.

(b) Notwithstanding any other law concerning terms of office, the following apply:

(1) The individual elected to the office of auditor at the November 2002 general election is entitled to serve in the office until January 1, 2008.

(2) The individual elected to the office of auditor at the November 2006 general election is entitled to:

(A) take office January 1, 2008, if the individual qualifies; and

(B) serve in the office until January 1, 2011.

(3) The individual elected to the office of auditor at the November 2010 general election is entitled to:

(A) take office January 1, 2011, if the individual qualifies; and

(B) serve in the office until January 1, 2015.

(c) This SECTION expires January 1, 2016.

SECTION 39. [EFFECTIVE JULY 1, 2005] **(a) As used in this SECTION, "auditor" refers to the auditor of Elkhart County.**

(b) Notwithstanding any other law concerning terms of office, the following apply:

(1) The individual elected to the office of auditor at the November 2002 general election is entitled to serve in the office until January 1, 2008.

(2) The individual elected to the office of auditor at the November 2006 general election is entitled to:

(A) take office January 1, 2008, if the individual qualifies; and

(B) serve in the office until January 1, 2011.

(3) The individual elected to the office of auditor at the November 2010 general election is entitled to:

(A) take office January 1, 2011, if the individual qualifies; and

(B) serve in the office until January 1, 2015.

(c) This SECTION expires January 1, 2016.

SECTION 40. [EFFECTIVE JULY 1, 2005] **(a) As used in this SECTION, "recorder" refers to the recorder of Elkhart County.**

(b) Notwithstanding any other law concerning terms of office, the following apply:

(1) The individual elected to the office of recorder at the November 2002 general election is entitled to serve in the office until January 1, 2008.

(2) The individual elected to the office of recorder at the November 2006 general election is entitled to:

(A) take office January 1, 2008, if the individual qualifies; and

(B) serve in the office until January 1, 2011.

(3) The individual elected to the office of recorder at the November 2010 general election is entitled to:

(A) take office January 1, 2011, if the individual qualifies; and

(B) serve in the office until January 1, 2015.

(c) This SECTION expires January 1, 2016.

SECTION 41. [EFFECTIVE JULY 1, 2005] **(a) As used in this SECTION, "auditor" refers to the auditor of Fayette County.**

(b) Notwithstanding any other law concerning terms of office, the following apply:

(1) The individual elected to the office of auditor at the November 2002 general election is entitled to serve in the office until January 1, 2008.

(2) The individual elected to the office of auditor at the November 2006 general election is entitled to:

(A) take office January 1, 2008, if the individual qualifies; and

(B) serve in the office until January 1, 2011.

(3) The individual elected to the office of auditor at the November 2010 general election is entitled to;

(A) take office January 1, 2011, if the individual qualifies; and

(B) serve in the office until January 1, 2015.

(c) This SECTION expires January 1, 2016.

SECTION 42. [EFFECTIVE JULY 1, 2005] **(a) As used in this SECTION, "auditor" refers to the auditor of Franklin County.**

(b) Notwithstanding any other law concerning terms of office, the following apply:

(1) The individual elected to the office of auditor at the November 2002 general election is entitled to serve in the office until January 1, 2008.

(2) The individual elected to the office of auditor at the November 2006 general election is entitled to:

(A) take office January 1, 2008, if the individual qualifies; and

(B) serve in the office until January 1, 2011.

(3) The individual elected to the office of auditor at the November 2010 general election is entitled to:

(A) take office January 1, 2011, if the individual qualifies; and

(B) serve in the office until January 1, 2015.

(c) This SECTION expires January 1, 2016.

SECTION 43. [EFFECTIVE JULY 1, 2005] **(a) As used in this SECTION, "clerk" refers to the clerk of the circuit court of Franklin County.**

(b) Notwithstanding any other law concerning terms of office, the following apply:

(1) The individual elected to the office of clerk at the November 2002 general election is entitled to serve in the office until February 14, 2008.

(2) The individual elected to the office of clerk at the November 2006 general election is entitled to:

(A) take office February 14, 2008, if the individual qualifies; and

(B) serve in the office until January 1, 2011.

(3) The individual elected to the office of clerk at the November 2010 general election is entitled to:

(A) take office January 1, 2011, if the individual qualifies; and

(B) serve in the office until January 1, 2015.

(c) This SECTION expires January 1, 2016.

SECTION 44. [EFFECTIVE JULY 1, 2005] **(a) As used in this SECTION, "recorder" refers to the recorder of Grant County.**

(b) Notwithstanding any other law concerning terms of office, the following apply:

(1) The individual elected to the office of recorder at the November 2004 general election is entitled to serve in the office until January 1, 2010.

(2) The individual elected to the office of recorder at the November 2008 general election is entitled to:

(A) take office January 1, 2010, if the individual qualifies; and

(B) serve in the office until January 1, 2013.

(3) The individual elected to the office of recorder at the November 2012 general election is entitled to:

(A) take office January 1, 2013, if the individual qualifies; and

(B) serve in the office until January 1, 2017.

(c) This SECTION expires January 1, 2018.

SECTION 45. [EFFECTIVE JULY 1, 2005] **(a) As used in this SECTION, "clerk" refers to the clerk of the circuit court of Hamilton County.**

(b) Notwithstanding any other law concerning terms of office, the following apply:

(1) The individual elected to the office of clerk at the November 2002 general election is entitled to serve in the office until January 1, 2008.

(2) The individual elected to the office of clerk at the November 2006 general election is entitled to:

(A) take office January 1, 2008, if the individual qualifies; and

(B) serve in the office until January 1, 2011.

(3) The individual elected to the office of clerk at the November 2010 general election is entitled to:

(A) take office January 1, 2011, if the individual qualifies; and

(B) serve in the office until January 1, 2015.

(c) This SECTION expires January 1, 2016.

SECTION 46. [EFFECTIVE JULY 1, 2005] **(a) As used in this SECTION, "auditor" refers to the auditor of Hancock County.**

(b) Notwithstanding any other law concerning terms of office,

the following apply:

(1) The individual elected to the office of auditor at the November 2002 general election is entitled to serve in the office until January 1, 2008.

(2) The individual elected to the office of auditor at the November 2006 general election is entitled to:

(A) take office January 1, 2008, if the individual qualifies; and

(B) serve in the office until January 1, 2011.

(3) The individual elected to the office of auditor at the November 2010 general election is entitled to:

(A) take office January 1, 2011, if the individual qualifies; and

(B) serve in the office until January 1, 2015.

(c) This SECTION expires January 1, 2016.

SECTION 47. [EFFECTIVE JULY 1, 2005] **(a) As used in this SECTION, "clerk" refers to the clerk of the circuit court of Howard County.**

(b) Notwithstanding any other law concerning terms of office, the following apply:

(1) The individual elected to the office of clerk at the November 2002 general election is entitled to serve in the office until January 1, 2008.

(2) The individual elected to the office of clerk at the November 2006 general election is entitled to:

(A) take office January 1, 2008, if the individual qualifies; and

(B) serve in the office until January 1, 2011.

(3) The individual elected to the office of clerk at the November 2010 general election is entitled to:

(A) take office January 1, 2011, if the individual qualifies; and

(B) serve in the office until January 1, 2015.

(c) This SECTION expires January 1, 2016.

SECTION 48. [EFFECTIVE JULY 1, 2005] **(a) As used in this SECTION, "auditor" refers to the auditor of Huntington County.**

(b) Notwithstanding any other law concerning terms of office, the following apply:

(1) The individual elected to the office of auditor at the November 2002 general election is entitled to serve in the office until January 1, 2008.

(2) The individual elected to the office of auditor at the November 2006 general election is entitled to:

(A) take office January 1, 2008, if the individual qualifies; and

(B) serve in the office until January 1, 2011.

(3) The individual elected to the office of auditor at the November 2010 general election is entitled to:

(A) take office January 1, 2011, if the individual qualifies; and

(B) serve in the office until January 1, 2015.

(c) This SECTION expires January 1, 2016.

SECTION 49. [EFFECTIVE JULY 1, 2005] **(a) As used in this SECTION, "clerk" refers to the clerk of the circuit court of Huntington County.**

(b) Notwithstanding any other law concerning terms of office, the following apply:

(1) The individual elected to the office of clerk at the November 2002 general election is entitled to serve in the office until January 1, 2008.

(2) The individual elected to the office of clerk at the November 2006 general election is entitled to:

(A) take office January 1, 2008, if the individual qualifies; and

(B) serve in the office until January 1, 2011.

(3) The individual elected to the office of clerk at the November 2010 general election is entitled to:

(A) take office January 1, 2011, if the individual qualifies; and

(B) serve in the office until January 1, 2015.

(c) This SECTION expires January 1, 2016.

SECTION 50. [EFFECTIVE JULY 1, 2005] **(a) As used in this SECTION, "clerk" refers to the clerk of the circuit court of Jackson County.**

(b) Notwithstanding any other law concerning terms of office, the following apply:

(1) The individual elected to the office of clerk at the November 2002 general election is entitled to serve in the office until February 25, 2008.

(2) The individual elected to the office of clerk at the November 2006 general election is entitled to:

(A) take office February 25, 2008, if the individual qualifies; and

(B) serve in the office until January 1, 2011.

(3) The individual elected to the office of clerk at the November 2010 general election is entitled to:

(A) take office January 1, 2011, if the individual qualifies; and

(B) serve in the office until January 1, 2015.

(c) This SECTION expires January 1, 2016.

SECTION 51. [EFFECTIVE JULY 1, 2005] **(a) As used in this SECTION, "treasurer" refers to the treasurer of Jackson County.**

(b) Notwithstanding any other law concerning terms of office, the following apply:

(1) The individual elected to the office of treasurer at the November 2004 general election is entitled to serve in the office until January 1, 2010.

(2) The individual elected to the office of treasurer at the November 2008 general election is entitled to:

(A) take office January 1, 2010, if the individual qualifies; and

(B) serve in the office until January 1, 2013.

(3) The individual elected to the office of treasurer at the November 2012 general election is entitled to:

(A) take office January 1, 2013, if the individual qualifies; and

(B) serve in the office until January 1, 2017.

(c) This SECTION expires January 1, 2018.

SECTION 52. [EFFECTIVE JULY 1, 2005] **(a) As used in this SECTION, "auditor" refers to the auditor of Jay County.**

(b) Notwithstanding any other law concerning terms of office, the following apply:

(1) The individual elected to the office of auditor at the November 2002 general election is entitled to serve in the office until January 1, 2008.

(2) The individual elected to the office of auditor at the November 2006 general election is entitled to:

(A) take office January 1, 2008, if the individual qualifies; and

(B) serve in the office until January 1, 2011.

(3) The individual elected to the office of auditor at the November 2010 general election is entitled to:

(A) take office January 1, 2011, if the individual qualifies; and

(B) serve in the office until January 1, 2015.

(c) This SECTION expires January 1, 2016.

SECTION 53. [EFFECTIVE JULY 1, 2005] **(a) As used in this SECTION, "recorder" refers to the recorder of Jay County.**

(b) Notwithstanding any other law concerning terms of office, the following apply:

(1) The individual elected to the office of recorder at the November 2002 general election is entitled to serve in the office until January 1, 2008.

(2) The individual elected to the office of recorder at the November 2006 general election is entitled to:

(A) take office January 1, 2008, if the individual qualifies; and

(B) serve in the office until January 1, 2011.

(3) The individual elected to the office of recorder at the November 2010 general election is entitled to:

(A) take office January 1, 2011, if the individual qualifies; and

(B) serve in the office until January 1, 2015.

(c) This SECTION expires January 1, 2016.

SECTION 54. [EFFECTIVE JULY 1, 2005] **(a) As used in this SECTION, "auditor" refers to the auditor of Johnson County.**

(b) Notwithstanding any other law concerning terms of office, the following apply:

(1) The individual elected to the office of auditor at the November 2002 general election is entitled to serve in the office until January 1, 2008.

(2) The individual elected to the office of auditor at the November 2006 general election is entitled to:

(A) take office January 1, 2008, if the individual qualifies; and

(B) serve in the office until January 1, 2011.

(3) The individual elected to the office of auditor at the November 2010 general election is entitled to:

(A) take office January 1, 2011, if the individual qualifies; and

(B) serve in the office until January 1, 2015.

(c) This SECTION expires January 1, 2016.

SECTION 55. [EFFECTIVE JULY 1, 2005] **(a) As used in this SECTION, "clerk" refers to the clerk of the circuit court of Johnson County.**

(b) Notwithstanding any other law concerning terms of office, the following apply:

(1) The individual elected to the office of clerk at the November 2002 general election is entitled to serve in the office until January 1, 2008.

(2) The individual elected to the office of clerk at the November 2006 general election is entitled to:

(A) take office January 1, 2008, if the individual qualifies; and

(B) serve in the office until January 1, 2011.

(3) The individual elected to the office of clerk at the November 2010 general election is entitled to:

(A) take office January 1, 2011, if the individual qualifies; and

(B) serve in the office until January 1, 2015.

(c) This SECTION expires January 1, 2016.

SECTION 56. [EFFECTIVE JULY 1, 2005] **(a) As used in this SECTION, "clerk" refers to the clerk of the circuit court of Knox County.**

(b) Notwithstanding any other law concerning terms of office, the following apply:

(1) The individual elected to the office of clerk at the November 2002 general election is entitled to serve in the office until March 1, 2008.

(2) The individual elected to the office of clerk at the November 2006 general election is entitled to:

(A) take office March 1, 2008, if the individual qualifies; and

(B) serve in the office until January 1, 2011.

(3) The individual elected to the office of clerk at the November 2010 general election is entitled to:

(A) take office January 1, 2011, if the individual qualifies; and

(B) serve in the office until January 1, 2015.

(c) This SECTION expires January 1, 2016.

SECTION 57. [EFFECTIVE JULY 1, 2005] **(a) As used in this SECTION, "recorder" refers to the recorder of Knox County.**

(b) Notwithstanding any other law concerning terms of office, the following apply:

(1) The individual elected to the office of recorder at the November 2002 general election is entitled to serve in the office until January 1, 2008.

(2) The individual elected to the office of recorder at the November 2006 general election is entitled to:

(A) take office January 1, 2008, if the individual qualifies; and

(B) serve in the office until January 1, 2011.

(3) The individual elected to the office of recorder at the November 2010 general election is entitled to:

(A) take office January 1, 2011, if the individual qualifies; and

(B) serve in the office until January 1, 2015.

(c) This SECTION expires January 1, 2016.

SECTION 58. [EFFECTIVE JULY 1, 2005] **(a) As used in this SECTION, "auditor" refers to the auditor of Kosciusko County.**

(b) Notwithstanding any other law concerning terms of office, the following apply:

(1) The individual elected to the office of auditor at the November 2002 general election is entitled to serve in the office until January 1, 2008.

(2) The individual elected to the office of auditor at the November 2006 general election is entitled to:

(A) take office January 1, 2008, if the individual qualifies; and

(B) serve in the office until January 1, 2011.

(3) The individual elected to the office of auditor at the November 2010 general election is entitled to:

(A) take office January 1, 2011, if the individual qualifies; and

(B) serve in the office until January 1, 2015.

(c) This SECTION expires January 1, 2016.

SECTION 59. [EFFECTIVE JULY 1, 2005] **(a) As used in this SECTION, "clerk" refers to the clerk of the circuit court of Lake County.**

(b) Notwithstanding any other law concerning terms of office, the following apply:

(1) The individual elected to the office of clerk at the November 2002 general election is entitled to serve in the office until January 1, 2008.

(2) The individual elected to the office of clerk at the November 2006 general election is entitled to:

(A) take office January 1, 2008, if the individual qualifies; and

(B) serve in the office until January 1, 2011.

(3) The individual elected to the office of clerk at the November 2010 general election is entitled to:

(A) take office January 1, 2011, if the individual qualifies; and

(B) serve in the office until January 1, 2015.

(c) This SECTION expires January 1, 2016.

SECTION 60. [EFFECTIVE JULY 1, 2005] **(a) As used in this SECTION, "clerk" refers to the clerk of the circuit court of LaPorte County.**

(b) Notwithstanding any other law concerning terms of office, the following apply:

(1) The individual elected to the office of clerk at the November 2004 general election is entitled to serve in the office until January 1, 2010.

(2) The individual elected to the office of clerk at the November 2008 general election is entitled to:

(A) take office January 1, 2010, if the individual qualifies; and

(B) serve in the office until January 1, 2013.

(3) The individual elected to the office of clerk at the November 2012 general election is entitled to:

(A) take office January 1, 2013, if the individual qualifies; and

(B) serve in the office until January 1, 2017.

(c) This SECTION expires January 1, 2018.

SECTION 61. [EFFECTIVE JULY 1, 2005] **(a) As used in this SECTION, "auditor" refers to the auditor of Marshall County.**

(b) Notwithstanding any other law concerning terms of office, the following apply:

(1) The individual elected to the office of auditor at the November 2002 general election is entitled to serve in the office until January 1, 2008.

(2) The individual elected to the office of auditor at the November 2006 general election is entitled to:

(A) take office January 1, 2008, if the individual qualifies; and

(B) serve in the office until January 1, 2011.

(3) The individual elected to the office of auditor at the November 2010 general election is entitled to:

(A) take office January 1, 2011, if the individual qualifies; and

(B) serve in the office until January 1, 2015.

(c) This SECTION expires January 1, 2016.

SECTION 62. [EFFECTIVE JULY 1, 2005] **(a) As used in this SECTION, "clerk" refers to the clerk of the circuit court of**

Marshall County.

(b) Notwithstanding any other law concerning terms of office, the following apply:

(1) The individual elected to the office of clerk at the November 2002 general election is entitled to serve in the office until January 1, 2008.

(2) The individual elected to the office of clerk at the November 2006 general election is entitled to:

(A) take office January 1, 2008, if the individual qualifies; and

(B) serve in the office until January 1, 2011.

(3) The individual elected to the office of clerk at the November 2010 general election is entitled to:

(A) take office January 1, 2011, if the individual qualifies; and

(B) serve in the office until January 1, 2015.

(c) This SECTION expires January 1, 2016.

SECTION 63. [EFFECTIVE JULY 1, 2005] **(a) As used in this SECTION, "clerk" refers to the clerk of the circuit court of Martin County.**

(b) Notwithstanding any other law concerning terms of office, the following apply:

(1) The individual elected to the office of clerk at the November 2002 general election is entitled to serve in the office until January 1, 2008.

(2) The individual elected to the office of clerk at the November 2006 general election is entitled to:

(A) take office January 1, 2008, if the individual qualifies; and

(B) serve in the office until January 1, 2011.

(3) The individual elected to the office of clerk at the November 2010 general election is entitled to:

(A) take office January 1, 2011, if the individual qualifies; and

(B) serve in the office until January 1, 2015.

(c) This SECTION expires January 1, 2016.

SECTION 64. [EFFECTIVE JULY 1, 2005] **(a) As used in this SECTION, "clerk" refers to the clerk of the circuit court of Miami County.**

(b) Notwithstanding any other law concerning terms of office, the following apply:

(1) The individual elected to the office of clerk at the November 2002 general election is entitled to serve in the office until January 1, 2008.

(2) The individual elected to the office of clerk at the November 2006 general election is entitled to:

(A) take office January 1, 2008, if the individual qualifies; and

(B) serve in the office until January 1, 2011.

(3) The individual elected to the office of clerk at the November 2010 general election is entitled to:

(A) take office January 1, 2011, if the individual qualifies; and

(B) serve in the office until January 1, 2015.

(c) This SECTION expires January 1, 2016.

SECTION 65. [EFFECTIVE JULY 1, 2005] **(a) As used in this SECTION, "auditor" refers to the auditor of Montgomery County.**

(b) Notwithstanding any other law concerning terms of office, the following apply:

(1) The individual elected to the office of auditor at the November 2002 general election is entitled to serve in the office until January 1, 2008.

(2) The individual elected to the office of auditor at the November 2006 general election is entitled to:

(A) take office January 1, 2008, if the individual qualifies; and

(B) serve in the office until January 1, 2011.

(3) The individual elected to the office of auditor at the November 2010 general election is entitled to:

(A) take office January 1, 2011, if the individual qualifies; and

(B) serve in the office until January 1, 2015.

(c) This SECTION expires January 1, 2016.

SECTION 66. [EFFECTIVE JULY 1, 2005] **(a) As used in this SECTION, "clerk" refers to the clerk of the circuit court of Porter County.**

(b) Notwithstanding any other law concerning terms of office, the following apply:

(1) The individual elected to the office of clerk at the November 2002 general election is entitled to serve in the office until January 1, 2008.

(2) The individual elected to the office of clerk at the November 2006 general election is entitled to:

(A) take office January 1, 2008, if the individual qualifies; and

(B) serve in the office until January 1, 2011.

(3) The individual elected to the office of clerk at the November 2010 general election is entitled to:

(A) take office January 1, 2011, if the individual qualifies; and

(B) serve in the office until January 1, 2015.

(c) This SECTION expires January 1, 2016.

SECTION 67. [EFFECTIVE JULY 1, 2005] **(a) As used in this SECTION, "recorder" refers to the recorder of Porter County.**

(b) Notwithstanding any other law concerning terms of office, the following apply:

(1) The individual elected to the office of recorder at the November 2002 general election is entitled to serve in the office until January 1, 2008.

(2) The individual elected to the office of recorder at the November 2006 general election is entitled to:

(A) take office January 1, 2008, if the individual qualifies; and

(B) serve in the office until January 1, 2011.

(3) The individual elected to the office of recorder at the November 2010 general election is entitled to:

(A) take office January 1, 2011, if the individual qualifies; and

(B) serve in the office until January 1, 2015.

(c) This SECTION expires January 1, 2016.

SECTION 68. [EFFECTIVE JULY 1, 2005] **(a) As used in this SECTION, "treasurer" refers to the treasurer of Porter County.**

(b) Notwithstanding any other law concerning terms of office, the following apply:

(1) The individual elected to the office of treasurer at the November 2004 general election is entitled to serve in the office until January 1, 2010.

(2) The individual elected to the office of treasurer at the November 2008 general election is entitled to:

(A) take office January 1, 2010, if the individual qualifies; and

(B) serve in the office until January 1, 2013.

(3) The individual elected to the office of treasurer at the November 2012 general election is entitled to:

(A) take office January 1, 2013, if the individual qualifies; and

(B) serve in the office until January 1, 2017.

(c) This SECTION expires January 1, 2018.

SECTION 69. [EFFECTIVE JULY 1, 2005] **(a) As used in this SECTION, "auditor" refers to the auditor of Posey County.**

(b) Notwithstanding any other law concerning terms of office, the following apply:

(1) The individual elected to the office of auditor at the November 2002 general election is entitled to serve in the office until January 1, 2008.

(2) The individual elected to the office of auditor at the November 2006 general election is entitled to:

(A) take office January 1, 2008, if the individual qualifies; and

(B) serve in the office until January 1, 2011.

(3) The individual elected to the office of auditor at the November 2010 general election is entitled to:

(A) take office January 1, 2011, if the individual qualifies; and

(B) serve in the office until January 1, 2015.

(c) This SECTION expires January 1, 2016.

SECTION 70. [EFFECTIVE JULY 1, 2005] **(a) As used in this**

SECTION, "recorder" refers to the recorder of Posey County.

(b) Notwithstanding any other law concerning terms of office, the following apply:

(1) The individual elected to the office of recorder at the November 2002 general election is entitled to serve in the office until January 1, 2008.

(2) The individual elected to the office of recorder at the November 2006 general election is entitled to:

(A) take office January 1, 2008, if the individual qualifies; and

(B) serve in the office until January 1, 2011.

(3) The individual elected to the office of recorder at the November 2010 general election is entitled to:

(A) take office January 1, 2011, if the individual qualifies; and

(B) serve in the office until January 1, 2015.

(c) This SECTION expires January 1, 2016.

SECTION 71. [EFFECTIVE JULY 1, 2005] **(a) As used in this SECTION, "recorder" refers to the recorder of Pulaski County.**

(b) Notwithstanding any other law concerning terms of office, the following apply:

(1) The individual elected to the office of recorder at the November 2004 general election is entitled to serve in the office until January 1, 2010.

(2) The individual elected to the office of recorder at the November 2008 general election is entitled to:

(A) take office January 1, 2010, if the individual qualifies; and

(B) serve in the office until January 1, 2013.

(3) The individual elected to the office of recorder at the November 2012 general election is entitled to:

(A) take office January 1, 2013, if the individual qualifies; and

(B) serve in the office until January 1, 2017.

(c) This SECTION expires January 1, 2018.

SECTION 72. [EFFECTIVE JULY 1, 2005] **(a) As used in this SECTION, "treasurer" refers to the treasurer of Putnam County.**

(b) Notwithstanding any other law concerning terms of office, the following apply:

(1) The individual elected to the office of treasurer at the November 2004 general election is entitled to serve in the office until January 1, 2010.

(2) The individual elected to the office of treasurer at the November 2008 general election is entitled to:

(A) take office January 1, 2010, if the individual qualifies; and

(B) serve in the office until January 1, 2013.

(3) The individual elected to the office of treasurer at the November 2012 general election is entitled to:

(A) take office January 1, 2013, if the individual qualifies; and

(B) serve in the office until January 1, 2017.

(c) This SECTION expires January 1, 2018.

SECTION 73. [EFFECTIVE JULY 1, 2005] **(a) As used in this SECTION, "clerk" refers to the clerk of the circuit court of Randolph County.**

(b) Notwithstanding any other law concerning terms of office, the following apply:

(1) The individual elected to the office of clerk at the November 2004 general election is entitled to serve in the office until January 1, 2010.

(2) The individual elected to the office of clerk at the November 2008 general election is entitled to:

(A) take office January 1, 2010, if the individual qualifies; and

(B) serve in the office until January 1, 2013.

(3) The individual elected to the office of clerk at the November 2012 general election is entitled to:

(A) take office January 1, 2013, if the individual qualifies; and

(B) serve in the office until January 1, 2017.

(c) This SECTION expires January 1, 2018.

SECTION 74. [EFFECTIVE JULY 1, 2005] **(a) As used in this SECTION, "clerk" refers to the clerk of the circuit court of Ripley County.**

(b) Notwithstanding any other law concerning terms of office, the following apply:

(1) The individual elected to the office of clerk at the November 2004 general election is entitled to serve in the office until January 1, 2010.

(2) The individual elected to the office of clerk at the November 2008 general election is entitled to:

(A) take office January 1, 2010, if the individual qualifies; and

(B) serve in the office until January 1, 2013.

(3) The individual elected to the office of clerk at the November 2012 general election is entitled to:

(A) take office January 1, 2013, if the individual qualifies; and

(B) serve in the office until January 1, 2017.

(c) This SECTION expires January 1, 2018.

SECTION 75. [EFFECTIVE JULY 1, 2005] **(a) As used in this SECTION, "recorder" refers to the recorder of Ripley County.**

(b) Notwithstanding any other law concerning terms of office, the following apply:

(1) The individual elected to the office of recorder at the November 2004 general election is entitled to serve in the office until January 1, 2010.

(2) The individual elected to the office of recorder at the November 2008 general election is entitled to:

(A) take office January 1, 2010, if the individual qualifies; and

(B) serve in the office until January 1, 2013.

(3) The individual elected to the office of recorder at the November 2012 general election is entitled to:

(A) take office January 1, 2013, if the individual qualifies; and

(B) serve in the office until January 1, 2017.

(c) This SECTION expires January 1, 2018.

SECTION 76. [EFFECTIVE JULY 1, 2005] **(a) As used in this SECTION, "auditor" refers to the auditor of St. Joseph County.**

(b) Notwithstanding any other law concerning terms of office, the following apply:

(1) The individual elected to the office of auditor at the November 2002 general election is entitled to serve in the office until January 1, 2008.

(2) The individual elected to the office of auditor at the November 2006 general election is entitled to:

(A) take office January 1, 2008, if the individual qualifies; and

(B) serve in the office until January 1, 2011.

(3) The individual elected to the office of auditor at the November 2010 general election is entitled to:

(A) take office January 1, 2011, if the individual qualifies; and

(B) serve in the office until January 1, 2015.

(c) This SECTION expires January 1, 2016.

SECTION 77. [EFFECTIVE JULY 1, 2005] **(a) As used in this SECTION, "recorder" refers to the recorder of Shelby County.**

(b) Notwithstanding any other law concerning terms of office, the following apply:

(1) The individual elected to the office of recorder at the November 2002 general election is entitled to serve in the office until January 1, 2008.

(2) The individual elected to the office of recorder at the November 2006 general election is entitled to:

(A) take office January 1, 2008, if the individual qualifies; and

(B) serve in the office until January 1, 2011.

(3) The individual elected to the office of recorder at the November 2010 general election is entitled to:

(A) take office January 1, 2011, if the individual qualifies; and

(B) serve in the office until January 1, 2015.

(c) This SECTION expires January 1, 2016.

SECTION 78. [EFFECTIVE JULY 1, 2005] **(a) As used in this SECTION, "auditor" refers to the auditor of Spencer County.**

(b) Notwithstanding any other law concerning terms of office, the following apply:

(1) The individual elected to the office of auditor at the November 2002 general election is entitled to serve in the office until January 1, 2008.

(2) The individual elected to the office of auditor at the November 2006 general election is entitled to:

(A) take office January 1, 2008, if the individual qualifies; and

(B) serve in the office until January 1, 2011.

(3) The individual elected to the office of auditor at the November 2010 general election is entitled to:

(A) take office January 1, 2011, if the individual qualifies; and

(B) serve in the office until January 1, 2015.

(c) This SECTION expires January 1, 2016.

SECTION 79. [EFFECTIVE JULY 1, 2005] **(a) As used in this SECTION, "clerk" refers to the clerk of the circuit court of Spencer County.**

(b) Notwithstanding any other law concerning terms of office, the following apply:

(1) The individual elected to the office of clerk at the November 2004 general election is entitled to serve in the office until March 1, 2010.

(2) The individual elected to the office of clerk at the November 2008 general election is entitled to:

(A) take office March 1, 2010, if the individual qualifies; and

(B) serve in the office until January 1, 2013.

(3) The individual elected to the office of clerk at the November 2012 general election is entitled to:

(A) take office January 1, 2013, if the individual qualifies; and

(B) serve in the office until January 1, 2017.

(c) This SECTION expires January 1, 2018.

SECTION 80. [EFFECTIVE JULY 1, 2005] **(a) As used in this SECTION, "recorder" refers to the recorder of Starke County.**

(b) Notwithstanding any other law concerning terms of office, the following apply:

(1) The individual elected to the office of recorder at the November 2002 general election is entitled to serve in the office until January 1, 2008.

(2) The individual elected to the office of recorder at the November 2006 general election is entitled to:

(A) take office January 1, 2008, if the individual qualifies; and

(B) serve in the office until January 1, 2011.

(3) The individual elected to the office of recorder at the November 2010 general election is entitled to:

(A) take office January 1, 2011, if the individual qualifies; and

(B) serve in the office until January 1, 2015.

(c) This SECTION expires January 1, 2016.

SECTION 81. [EFFECTIVE JULY 1, 2005] **(a) As used in this SECTION, "clerk" refers to the clerk of the circuit court of Steuben County.**

(b) Notwithstanding any other law concerning terms of office, the following apply:

(1) The individual elected to the office of clerk at the November 2002 general election is entitled to serve in the office until January 1, 2008.

(2) The individual elected to the office of clerk at the November 2006 general election is entitled to:

(A) take office January 1, 2008, if the individual qualifies; and

(B) serve in the office until January 1, 2011.

(3) The individual elected to the office of clerk at the November 2010 general election is entitled to:

(A) take office January 1, 2011, if the individual qualifies; and

(B) serve in the office until January 1, 2015.

(c) This SECTION expires January 1, 2016.

SECTION 82. [EFFECTIVE JULY 1, 2005] **(a) As used in this SECTION, "auditor" refers to the auditor of Sullivan County.**

(b) Notwithstanding any other law concerning terms of office, the following apply:

(1) The individual elected to the office of auditor at the November 2002 general election is entitled to serve in the office until March 15, 2008.

(2) The individual elected to the office of auditor at the November 2006 general election is entitled to:

(A) take office March 15, 2008, if the individual qualifies; and

(B) serve in the office until January 1, 2011.

(3) The individual elected to the office of auditor at the November 2010 general election is entitled to:

(A) take office January 1, 2011, if the individual qualifies; and

(B) serve in the office until January 1, 2015.

(c) This SECTION expires January 1, 2016.

SECTION 83. [EFFECTIVE JULY 1, 2005] **(a) As used in this SECTION, "clerk" refers to the clerk of the circuit court of Sullivan County.**

(b) Notwithstanding any other law concerning terms of office, the following apply:

(1) The individual elected to the office of clerk at the November 2002 general election is entitled to serve in the office until March 15, 2008.

(2) The individual elected to the office of clerk at the November 2006 general election is entitled to:

(A) take office March 15, 2008, if the individual qualifies; and

(B) serve in the office until January 1, 2011.

(3) The individual elected to the office of clerk at the November 2010 general election is entitled to:

(A) take office January 1, 2011, if the individual qualifies; and

(B) serve in the office until January 1, 2015.

(c) This SECTION expires January 1, 2016.

SECTION 84. [EFFECTIVE JULY 1, 2005] **(a) As used in this SECTION, "treasurer" refers to the treasurer of Sullivan County.**

(b) Notwithstanding any other law concerning terms of office, the following apply:

(1) The individual elected to the office of treasurer at the November 2004 general election is entitled to serve in the office until January 1, 2010.

(2) The individual elected to the office of treasurer at the November 2008 general election is entitled to:

(A) take office January 1, 2010, if the individual qualifies; and

(B) serve in the office until January 1, 2013.

(3) The individual elected to the office of treasurer at the November 2012 general election is entitled to:

(A) take office January 1, 2013, if the individual qualifies; and

(B) serve in the office until January 1, 2017.

(c) This SECTION expires January 1, 2018.

SECTION 85. [EFFECTIVE JULY 1, 2005] **(a) As used in this SECTION, "clerk" refers to the clerk of the circuit court of Switzerland County.**

(b) Notwithstanding any other law concerning terms of office, the following apply:

(1) The individual elected to the office of clerk at the November 2002 general election is entitled to serve in the office until January 1, 2008.

(2) The individual elected to the office of clerk at the November 2006 general election is entitled to:

(A) take office January 1, 2008, if the individual qualifies; and

(B) serve in the office until January 1, 2011.

(3) The individual elected to the office of clerk at the November 2010 general election is entitled to:

(A) take office January 1, 2011, if the individual qualifies; and

(B) serve in the office until January 1, 2015.

(c) This SECTION expires January 1, 2016.

SECTION 86. [EFFECTIVE JULY 1, 2005] **(a) As used in this**

SECTION, "treasurer" refers to the treasurer of Switzerland County.

(b) Notwithstanding any other law concerning terms of office, the following apply:

(1) The individual elected to the office of treasurer at the November 2004 general election is entitled to serve in the office until January 1, 2010.

(2) The individual elected to the office of treasurer at the November 2008 general election is entitled to:

(A) take office January 1, 2010, if the individual qualifies; and

(B) serve in the office until January 1, 2013.

(3) The individual elected to the office of treasurer at the November 2012 general election is entitled to:

(A) take office January 1, 2013, if the individual qualifies; and

(B) serve in the office until January 1, 2017.

(c) This SECTION expires January 1, 2018.

SECTION 87. [EFFECTIVE JULY 1, 2005] **(a) As used in this SECTION, "auditor" refers to the auditor of Union County.**

(b) Notwithstanding any other law concerning terms of office, the following apply:

(1) The individual elected to the office of auditor at the November 2002 general election is entitled to serve in the office until January 1, 2008.

(2) The individual elected to the office of auditor at the November 2006 general election is entitled to:

(A) take office January 1, 2008, if the individual qualifies; and

(B) serve in the office until January 1, 2011.

(3) The individual elected to the office of auditor at the November 2010 general election is entitled to:

(A) take office January 1, 2011, if the individual qualifies; and

(B) serve in the office until January 1, 2015.

(c) This SECTION expires January 1, 2016.

SECTION 88. [EFFECTIVE JULY 1, 2005] **(a) As used in this SECTION, "recorder" refers to the recorder of Union County.**

(b) Notwithstanding any other law concerning terms of office, the following apply:

(1) The individual elected to the office of recorder at the November 2002 general election is entitled to serve in the office until January 1, 2008.

(2) The individual elected to the office of recorder at the November 2006 general election is entitled to:

(A) take office January 1, 2008, if the individual qualifies; and

(B) serve in the office until January 1, 2011.

(3) The individual elected to the office of recorder at the November 2010 general election is entitled to:

(A) take office January 1, 2011, if the individual qualifies; and

(B) serve in the office until January 1, 2015.

(c) This SECTION expires January 1, 2016.

SECTION 89. [EFFECTIVE JULY 1, 2005] **(a) As used in this SECTION, "treasurer" refers to the treasurer of Vigo County.**

(b) Notwithstanding any other law concerning terms of office, the following apply:

(1) The individual elected to the office of treasurer at the November 2004 general election is entitled to serve in the office until January 1, 2010.

(2) The individual elected to the office of treasurer at the November 2008 general election is entitled to:

(A) take office January 1, 2010, if the individual qualifies; and

(B) serve in the office until January 1, 2013.

(3) The individual elected to the office of treasurer at the November 2012 general election is entitled to:

(A) take office January 1, 2013, if the individual qualifies; and

(B) serve in the office until January 1, 2017.

(c) This SECTION expires January 1, 2018.

SECTION 90. [EFFECTIVE JULY 1, 2005] **(a) As used in this SECTION, "clerk" refers to the clerk of the circuit court of Wabash County.**

(b) Notwithstanding any other law concerning terms of office, the following apply:

(1) The individual elected to the office of clerk at the November 2002 general election is entitled to serve in the office until January 1, 2008.

(2) The individual elected to the office of clerk at the November 2006 general election is entitled to:

(A) take office January 1, 2008, if the individual qualifies; and

(B) serve in the office until January 1, 2011.

(3) The individual elected to the office of clerk at the November 2010 general election is entitled to:

(A) take office January 1, 2011, if the individual qualifies; and

(B) serve in the office until January 1, 2015.

(c) This SECTION expires January 1, 2016.

SECTION 91. [EFFECTIVE JULY 1, 2005] **(a) As used in this SECTION, "clerk" refers to the clerk of the circuit court of Warren County.**

(b) Notwithstanding any other law concerning terms of office, the following apply:

(1) The individual elected to the office of clerk at the November 2002 general election is entitled to serve in the office until January 1, 2008.

(2) The individual elected to the office of clerk at the November 2006 general election is entitled to:

(A) take office January 1, 2008, if the individual qualifies; and

(B) serve in the office until January 1, 2011.

(3) The individual elected to the office of clerk at the November 2010 general election is entitled to:

(A) take office January 1, 2011, if the individual qualifies; and

(B) serve in the office until January 1, 2015.

(c) This SECTION expires January 1, 2016.

SECTION 92. [EFFECTIVE JULY 1, 2005] **(a) As used in this SECTION, "clerk" refers to the clerk of the circuit court of Whitley County.**

(b) Notwithstanding any other law concerning terms of office, the following apply:

(1) The individual elected to the office of clerk at the November 2002 general election is entitled to serve in the office until January 1, 2008.

(2) The individual elected to the office of clerk at the November 2006 general election is entitled to:

(A) take office January 1, 2008, if the individual qualifies; and

(B) serve in the office until January 1, 2011.

(3) The individual elected to the office of clerk at the November 2010 general election is entitled to:

(A) take office January 1, 2011, if the individual qualifies; and

(B) serve in the office until January 1, 2015.

(c) This SECTION expires January 1, 2016.

SECTION 93. [EFFECTIVE JULY 1, 2005] **(a) As used in this SECTION, "recorder" refers to the recorder of Whitley County.**

(b) Notwithstanding any other law concerning terms of office, the following apply:

(1) The individual elected to the office of recorder at the November 2002 general election is entitled to serve in the office until January 1, 2008.

(2) The individual elected to the office of recorder at the November 2006 general election is entitled to:

(A) take office January 1, 2008, if the individual qualifies; and

(B) serve in the office until January 1, 2011.

(3) The individual elected to the office of recorder at the November 2010 general election is entitled to:

(A) take office January 1, 2011, if the individual qualifies; and

(B) serve in the office until January 1, 2015.

(c) This SECTION expires January 1, 2016.".

Renumber all SECTIONS consecutively.

(Reference is to SB 308 as reprinted February 1, 2005.)
and when so amended that said bill do pass.

Committee Vote: yeas 11, nays 0.

HINKLE, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Education, to which was referred Engrossed Senate Bill 326, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 1, between the enacting clause and line 1, begin a new paragraph and insert:

"SECTION 1. IC 20-8.1-7-22 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 22. (a) This section does not apply to medication possessed by a student for self-administration under IC 20-8.1-5.1-7.5.

~~(b) Except as provided in subsection (d), a school corporation may not send home with a student medication that is possessed by a school for administration during school hours or at school functions.~~

~~(c)~~ **(b)** Medication that is possessed by a school for administration during school hours or at school functions for a student ~~in grades kindergarten through grade 8~~ may be released ~~only~~ to:

(1) the student's parent; or

(2) an individual who is:

(A) at least eighteen (18) years of age; and

(B) designated in writing by the student's parent to receive the medication.

~~(d)~~ **(c)** A school corporation may send home medication that is possessed by a school for administration during school hours or at school functions with a student ~~in grades 9 through 12~~ if the student's parent provides written permission for the student to receive the medication.".

Page 2, after line 7, begin a new paragraph and insert:

"SECTION 2. IC 20-30-5-18 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: **Sec. 18. (a) The chief administrative officer of each:**

(1) public school (including a charter school as defined in IC 20-24-1-4); and

(2) nonpublic school;

shall ensure that information concerning meningococcal disease and its vaccines is provided to students and parents or guardians of students at the beginning of each school year.

(b) The information provided under subsection (a) must include information concerning the:

(1) causes;

(2) symptoms; and

(3) spread;

of meningococcal disease and the places where parents and guardians of students may obtain additional information and vaccinations for their children.

(c) The chief administrative officers and the department shall, in consultation with the state department of health or any other appropriate entity, develop materials to be made available to schools to assist schools in providing the information described in this section.

(d) The department shall enforce this section.

SECTION 3. IC 20-34-3-18, AS ADDED BY HEA 1288-2005, SECTION 18, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 18. (a) This section does not apply to medication possessed by a student for self-administration under IC 20-33-8-13.

~~(b) Except as provided in subsection (d), a school corporation may not send home with a student medication that is possessed by a school for administration during school hours or at school functions.~~

~~(c)~~ **(b)** Medication that is possessed by a school for administration during school hours or at school functions for a student ~~in kindergarten through grade 8~~ may be released ~~only~~ to:

(1) the student's parent; or

(2) an individual who is:

(A) at least eighteen (18) years of age; and

(B) designated in writing by the student's parent to receive the medication.

~~(d)~~ **(c)** A school corporation may send home medication that is possessed by a school for administration during school hours or at school functions with a student ~~in grades 9 through 12~~ if the student's parent provides written permission for the student to receive the medication.".

Renumber all SECTIONS consecutively.

(Reference is to SB 326 as printed February 18, 2005.)
and when so amended that said bill do pass.

Committee Vote: yeas 7, nays 0.

BEHNING, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Public Policy and Veterans Affairs, to which was referred Engrossed Senate Bill 382, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 1, between the enacting clause and line 1, begin a new paragraph and insert:

"SECTION 1. IC 7.1-1-3-5.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: **Sec. 5.5. "Alcohol vaporizing device" means a device or machine that mixes:**

(1) liquor; or

(2) another product containing alcohol;

with oxygen to produce a vaporized product for the purpose of consumption by inhalation.

SECTION 2. IC 7.1-1-3-48.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: **Sec. 48.5. "Vaporized alcohol" means a vaporized product that:**

(1) is created in an alcohol vaporizing device;

(2) contains liquor or another product containing alcohol; and

(3) is inhaled through the mouth and nose.

SECTION 3. IC 7.1-2-2-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. ~~Qualifications and Appointment.~~ The prosecutor shall be appointed by the governor for a term of four (4) years to be served at the pleasure of the governor. The prosecutor shall be a resident of the state and a practicing member of the Indiana bar. ~~for at least five (5) years preceding his appointment.~~

SECTION 4. IC 7.1-3-1-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. (a) A permit of any type issued by the commission, except as provided in subsections (b) and (f) or unless otherwise provided in this title, shall be in force for one (1) calendar year only, including the day upon which it is granted. At the end of the one (1) year period the permit shall be fully expired and null and void.

(b) Notwithstanding subsection (a), ~~in a county containing a consolidated city,~~ a permit that is subject to section 5.5 or 5.6 of this chapter is effective for two (2) calendar years, including the day upon which the permit is granted. However, a local board may recommend to the commission that the permit be issued or renewed for only a one (1) year period. The commission may issue or renew a permit for the period recommended by the local board.

(c) A permittee who is granted a two (2) year permit under subsection (b) or subsection (f) is liable for any annual fees assessed by the commission. The annual fee is due on the annual anniversary date upon which the permit was granted.

(d) If the commission grants a two (2) year permit, the commission may ask a local board to hold a hearing to reconsider the duration of a permittee's permit. A hearing held under this subsection is subject to section 5.5 or 5.6 of this chapter. A local board shall hold the hearing requested by the commission within thirty (30) days before the permittee's next annual anniversary date and forward a recommendation to the commission following the hearing.

(e) If a permittee is granted a permit for more than one (1) year, the commission ~~may~~ **shall** require the permittee to file annually with the

commission the information required for an annual permit renewal.

(f) Notwithstanding subsection (a), the following are effective for two (2) calendar years, including the day upon which the permit is granted:

(1) A beer wholesaler's permit issued under IC 7.1-3-3-1.

(2) A wine wholesaler's permit issued under IC 7.1-3-13-1.

(3) A liquor wholesaler's permit issued under IC 7.1-3-8-1.

SECTION 5. IC 7.1-3-1-14 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 14. (a) It is lawful for an appropriate permittee, unless otherwise specifically provided in this title, to sell alcoholic beverages each day Monday through Saturday from 7 a.m., prevailing local time, until 3 a.m., prevailing local time, the following day. Sales shall cease wholly on Sunday at 3 a.m., prevailing local time, and not be resumed until the following Monday at 7 a.m., prevailing local time.

(b) It is lawful for the holder of a ~~supplemental~~ retailer's permit to sell the appropriate alcoholic beverages on Sunday from 10 a.m., prevailing local time, until 12:30 a.m., prevailing local time, the following day.

(c) It is lawful for the holder of a permit under this article to sell alcoholic beverages at athletic or sports events held on Sunday upon premises that:

(1) are described in section 25(a) of this chapter;

(2) are a facility used in connection with the operation of a paved track more than two (2) miles in length that is used primarily in the sport of auto racing; or

(3) are being used for a professional or an amateur tournament;

beginning one (1) hour before the scheduled starting time of the event or, if the scheduled starting time of the event is 1 p.m. or later, beginning at noon.

(d) It is lawful for the holder of a valid beer, wine, or liquor wholesaler's permit to sell to the holder of a valid retailer's or dealer's permit at any time.

SECTION 6. IC 7.1-3-1-18 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 18. ~~Publication of Notice.~~ (a) Whenever, under the provisions of this title, publication of notice of application for a permit is required, the publication shall be made in ~~two (2) newspapers of opposite political faith published in the city, town or township~~ **one (1) newspaper of general circulation published in the county** where the permit is to be in effect.

~~(b) If there is only one (1) newspaper published in the city or town, the notice shall be published in that newspaper and in another newspaper of opposite political faith published in the county, if there is one, and if not, then in any newspaper of general circulation published in the county.~~

~~(c) If there is no newspaper published in the city or town where the permit is to be in effect, then the publication shall be made in two (2) newspapers published in the city or town nearest to the city or town where the permit is to be in effect.~~

~~(d)~~ **(b)** Publication required by this section may be made in any newspaper of general circulation published one (1) or more times each week.

~~(e)~~ **(c)** The rates which shall be paid for the advertising of a notice required under this title shall be those required to be paid in case of other notices published for or on behalf of the state.".

Page 3, line 13, after "and" insert "**pays the**".

Page 3, line 21, delete "a pecuniary relationship with the alcoholic beverage".

Page 3, line 22, delete "industry;" and insert "**an interest in a permit issued to a primary source of supply, a wholesaler, or a retailer under this chapter;**".

Page 4, line 18, delete "a" and insert "**the**".

Page 5, between lines 1 and 2, begin a new paragraph and insert:

"SECTION 8. IC 7.1-3-3-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. (a) The holder of a beer wholesaler's permit may purchase and import from the primary source of supply, possess, and sell at wholesale, beer and flavored malt beverages manufactured within or without this state.

(b) A beer wholesaler permittee may possess, transport, sell, and deliver beer to:

(1) another beer wholesaler authorized by the brewer to sell the brand purchased;

(2) a consumer; or

(3) a holder of a beer retailer's permit, beer dealer's permit, temporary beer permit, dining car permit, boat permit, airplane permit, **or** supplemental caterer's permit; ~~or supplemental retailer's permit;~~

located within this state. The sale, transportation, and delivery of beer shall be made only from inventory that has been located on the wholesaler's premises before the time of invoicing and delivery.

(c) Delivery of beer to a consumer shall be made in barrels only with the exception of the beer wholesaler's bona fide regular employees, who may purchase beer from the wholesaler in bottles, cans, or any other type of permissible containers in an amount not to exceed forty-eight (48) pints at any one (1) time.

(d) The importation, transportation, possession, sale, and delivery of beer shall be subject to the rules of the commission and subject to the same restrictions provided in this title for a person holding a brewer's permit.

(e) The holder of a beer wholesaler's permit may purchase, import, possess, transport, sell, and deliver any commodity listed in IC 7.1-3-10-5, unless prohibited by this title. However, a beer wholesaler may deliver flavored malt beverages only to the holder of one (1) of the following permits:

(1) A beer wholesaler or wine wholesaler permit, if the wholesaler is authorized by the primary source of supply to sell the brand of flavored malt beverage purchased.

(2) A wine retailer's permit, wine dealer's permit, temporary wine permit, dining car wine permit, boat permit, airplane permit, **or** supplemental caterer's permit. ~~or supplemental retailer's permit.~~

(f) A beer wholesaler may:

(1) store beer for an out-of-state brewer described in IC 7.1-3-2-9 and deliver the stored beer to another beer wholesaler that the out-of-state brewer authorizes to sell the beer;

(2) perform all necessary accounting and auditing functions associated with the services described in subdivision (1); and

(3) receive a fee from an out-of-state brewer for the services described in subdivisions (1) through (2).

SECTION 9. IC 7.1-3-4-8 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 8. (a) A beer retailer may allow customers to sample beer and flavored malt beverages.**

(b) Sampling is allowed only:

(1) on the beer retailer's permit premises; and

(2) during the beer retailer's regular business hours.

(c) A beer retailer may not charge for samples provided to the customers.

(d) A sample size of beer or flavored malt beverage may not exceed six (6) ounces.

SECTION 10. IC 7.1-3-8-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. (a) The holder of a liquor wholesaler's permit shall be entitled to sell liquor at wholesale.

(b) A liquor wholesaler shall be entitled to purchase liquor within this state from a person who holds a distiller's permit, a rectifier's permit, or a liquor wholesaler's permit. A liquor wholesaler also may purchase liquor outside this state from the primary source of supply and, from that source, may transport and import liquor into this state.

(c) A liquor wholesaler may sell, transport, and deliver liquor only to a person who, under this title, holds a:

(1) liquor retailer's permit;

(2) supplemental caterer's permit;

~~(3) supplemental retailer's permit;~~

~~(4)~~ **(3)** liquor dealer's permit; or

~~(5)~~ **(4)** liquor wholesaler's permit.

The sale, transportation, and delivery of liquor shall be made only from inventory that has been located on the wholesaler's premises before the time of invoicing and delivery, and only in permissible containers and is subject to the rules of the commission fixing the quantity which may be sold or delivered at any one (1) time.

SECTION 11. IC 7.1-3-9-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 11. (a) A liquor retailer may allow customers to sample the following:

(1) Beer.
(2) Flavored malt beverage.
~~(2)~~ **(3)** Wines.
~~(3)~~ **(4)** Liquors.
~~(4)~~ **(5)** Liqueurs and cordials (as defined in 27 CFR 5.22(h)).
(b) Sampling is permitted only:
(1) on the liquor retailer's permit premises; and
(2) during the permittee's regular business hours.
(c) A liquor retailer may not charge for the samples provided to customers.
(d) Sample size of wines may not exceed one (1) ounce.
(e) In addition to the other provisions of this section, a liquor retailer who allows customers to sample liquors, liqueurs, or cordials shall comply with all of the following:
(1) A liquor retailer may allow a customer to sample only a combined total of two (2) liquor, liqueur, or cordial samples per day.
(2) Sample size of liqueurs or cordials may not exceed one-half (½) ounce.
(3) Sample size of liquors may not exceed four-tenths (0.4) ounce.
(f) A sample size of beer may not exceed six (6) ounces.
(g) A sample size of flavored malt beverage may not exceed six (6) ounces.
SECTION 12. IC 7.1-3-10-13 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 13. (a) A liquor dealer permittee who is a proprietor of a package liquor store may allow customers to sample the following:
(1) Beer.
(2) Flavored malt beverage.
~~(2)~~ **(3)** Wines.
~~(3)~~ **(4)** Liquors.
~~(4)~~ **(5)** Liqueurs and cordials (as defined in 27 CFR 5.22(h)).
(b) Sampling is permitted:
(1) only on the package liquor store permit premises; and
(2) only during the store's regular business hours.
(c) No charge may be made for the samples provided to the customers.
(d) Sample size of wines may not exceed one (1) ounce.
(e) In addition to the other provisions of this section, a proprietor who allows customers to sample liquors, liqueurs, or cordials shall comply with all of the following:
(1) A proprietor may allow a customer to sample not more than a combined total of two (2) liquor, liqueur, or cordial samples per day.
(2) Sample size of liqueurs or cordials may not exceed one-half (½) ounce.
(3) Sample size of liquors may not exceed four-tenths (0.4) ounce.
(f) Sample size of beer may not exceed six (6) ounces.
(g) Sample size of flavored malt beverage may not exceed six (6) ounces.
SECTION 13. IC 7.1-3-12-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. (a) The holder of a farm winery permit:
(1) is entitled to manufacture wine and to bottle wine produced by the permit holder's farm winery;
(2) is entitled to serve complimentary samples of the winery's wine on the licensed premises;
(3) is entitled to sell the winery's wine on the licensed premises to consumers either by the glass, or by the bottle, or both;
(4) is entitled to sell wine by the bottle or by the case to a person who is the holder of a permit to sell wine at either wholesale or retail;
(5) is exempt from the provisions of IC 7.1-3-14;
(6) is entitled to advertise the name and address of any retailer or dealer who sells wine produced by the permit holder's winery;
(7) for wine described in IC 7.1-1-2-3(a)(4):
(A) may allow transportation to and consumption of the wine on the licensed premises; and
(B) may not sell, offer to sell, or allow the sale of the wine on the licensed premises; ~~and~~
(8) is entitled to purchase and sell bulk wine as set forth in this chapter; **and**
(9) is entitled to sell wine as authorized by this section for carryout on Sunday.
(b) With the approval of the commission, a holder of a permit under this chapter may conduct business at a second location that is separate from the winery. At the second location, the holder of a permit may conduct any business that is authorized at the first location, except for the manufacturing or bottling of wine.
(c) With the approval of the commission, a holder of a permit under this chapter may, individually or with other permit holders under this chapter, participate in a trade show or an exposition at which products of each permit holder participant are displayed, promoted, and sold. The commission may not grant approval under this subsection to a holder of a permit under this chapter for more than nine (9) days in a calendar year.
SECTION 14. IC 7.1-3-13-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. (a) The holder of a wine wholesaler's permit may purchase, import, and transport wine, brandy, or flavored malt beverage from the primary source of supply. A wine wholesaler may export and transport wine, brandy, or flavored malt beverage by the bottle, barrel, cask, or other container, to points outside Indiana. A wine wholesaler is entitled to sell, furnish, and deliver wine or flavored malt beverage from inventory that has been located on the wholesaler's premises before the time of invoicing and delivery to a wine wholesaler, a wine retailer, a supplemental caterer, a temporary wine permittee, ~~a supplemental retailer,~~ and a wine dealer, but not at retail. A wine wholesaler may sell, furnish, and deliver brandy from inventory that has been located on the wholesaler's premises before the time of invoicing and delivery, but not at retail, only to a person who holds a liquor retailer's permit, a supplemental caterer's permit, ~~a supplemental retailer's permit,~~ or a liquor dealer's permit. A wine wholesaler also may sell and deliver wine to a consumer, at the consumer's residence, in bottles or other permissible containers in a quantity that does not exceed fifty (50) gallons at any one (1) time.
(b) As used in this section, "brandy" means:
(1) any alcoholic distillate described in 27 CFR 5.22(d) as in effect on January 1, 1983; or
(2) a beverage product that:
(A) is prepared from a liquid described in subdivision (1);
(B) is classified as a cordial or liqueur as defined in 27 CFR 5.22(h) as in effect on January 1, 1997; and
(C) meets the following requirements:
(i) At least sixty-six and two-thirds percent (66 2/3%) of the product's alcohol content is composed of a substance described in subdivision (1).
(ii) The product's label makes no reference to any distilled spirit other than brandy.
(iii) The product's alcohol content is not less than sixteen percent (16%) by volume or thirty-two (32) degrees proof.
(iv) The product contains dairy cream.
(v) The product's sugar, dextrose, or levulose content is at least twenty percent (20%) of the product's weight.
(vi) The product contains caramel coloring.
(c) Nothing in this section allows a wine wholesaler to sell, give, purchase, transport, or export beer (as defined in IC 7.1-1-3-6) unless the wine wholesaler also holds a beer wholesaler's permit under IC 7.1-3-3-1.
(d) A wine wholesaler that also holds a liquor wholesaler's permit under IC 7.1-3-8 may not:
(1) hold a beer wholesaler's permit under IC 7.1-3-3;
(2) possess, sell, or transport beer; or
(3) sell more than one million (1,000,000) gallons of flavored malt beverage during a calendar year.
SECTION 15. IC 7.1-3-18-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 9. (a) The commission may issue an employee's permit to a person who desires to act as a clerk in a package liquor store or as a bartender, waiter, waitress, or manager in a retail establishment, excepting dining car and boat employees.
(b) A permit authorized by this section is conditioned upon the compliance by the holder with reasonable rules relating to the permit

which the commission may prescribe from time to time.

(c) A permit issued under this section entitles its holder to work for any lawful employer. However, a person may work without an employee's permit for thirty (30) days from the date shown on a receipt for a cashier's check or money order payable to the commission for that person's employee's permit application.

(d) A person who, for a package liquor store or retail establishment, is:

(1) the sole proprietor;

(2) a partner, a general partner, or a limited partner in a partnership or limited partnership that owns the business establishment;

(3) a member of a limited liability company that owns the business establishment; or

(4) a stockholder in a corporation that owns the business establishment;

is not required to obtain an employee's permit in order to perform any of the acts listed in subsection (a).

(e) An applicant may declare on the application form that the applicant will use the employee's permit only to perform volunteer service that benefits a nonprofit organization. It is unlawful for an applicant who makes a declaration under this subsection to use an employee's permit for any purpose other than to perform volunteer service that benefits a nonprofit organization.

(f) An applicant is not entitled to an employee's permit if:

(1) the applicant is serving a sentence for a conviction for operating while intoxicated, including any term of probation or parole;

(2) the applicant has:

(A) more than one (1) but less than three (3) unrelated convictions:

(i) for operating while intoxicated; **and**

(ii) that occurred not more than ten (10) years before the date of the applicant's application for the permit; and

(B) ~~less than two (2) years have elapsed after the applicant~~ completed the applicant's sentence for a conviction for operating while intoxicated, including any term of probation or parole ~~or~~ **not more than two (2) years before the date of the applicant's application for the permit.**

~~(3)~~ **If** the applicant has at least three (3) unrelated convictions for operating while intoxicated, **the applicant may apply to the commission for an employee's permit. The commission has the discretion to grant or deny the issuance of the permit.**

(g) The commission shall revoke a permit issued to an employee under this section if:

(1) the employee is convicted of a Class B misdemeanor for violating IC 7.1-5-10-15(a); or

(2) the employee becomes ineligible for the issuance of an employee's permit under subsection (f).

The commission may revoke a permit issued to an employee under this section for any violation of this title or the rules adopted by the commission.

SECTION 16. IC 7.1-3-18-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 11. (a) The commission may issue a temporary bartender's permit to any person who is at least twenty-one (21) years of age for any of the following purposes:

(1) To be a bartender at any activity or event for which a temporary permit is issued under IC 7.1-3-6 (beer) or IC 7.1-3-16 (wine).

(2) To be a bartender at a nonprofit club for a maximum of four (4) days in a year during the same time that a fair or festival is held in the community where the club is located. However, the commission may only issue a maximum of twenty (20) temporary bartender's licenses for use in one (1) club during one (1) fair or festival.

(b) A temporary bartender's permit is the only license that is required for persons to serve as bartenders for the purposes described in subsection (a).

(c) A temporary bartender at a club may dispense any alcoholic beverage that the club's permit allows the club to serve.

(d) The fee for a temporary bartender's permit is ~~four~~ **five** dollars ~~($4).~~ **($5).**

(e) The commission may by rule provide procedures for the issuance of a temporary bartender's permit.

(f) The commission shall revoke a permit issued to a bartender under this section if the bartender is convicted of a Class B misdemeanor for violating IC 7.1-5-10-15(a).

SECTION 17. IC 7.1-3-18.5-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. (a) A person who desires a certificate must provide the following to the commission:

(1) The applicant's name and mailing address and the address of the premises for which the certificate is being issued.

(2) A fee of ~~fifty dollars ($50).~~ **two hundred dollars ($200).**

(b) A separate certificate is required for each location where the tobacco products are sold or distributed.

(c) The fees collected under this section shall be deposited in the enforcement and administration fund under IC 7.1-4-10.

SECTION 18. IC 7.1-3-18.5-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. (a) A certificate issued by the commission under this chapter must contain the following information:

(1) The certificate number.

(2) The certificate holder's name.

(3) The permanent location of the business or vending machine for which the certificate is issued.

(4) The expiration date of the certificate.

(b) A certificate is:

(1) valid for ~~one (1) year~~ **three (3) years** after the date of issuance, unless the commission suspends the certificate; and

(2) nontransferable.

SECTION 19. IC 7.1-3-18.5-8 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 8. (a) As used in this section, "tobacco retailer" means a person who sells or otherwise distributes tobacco products at retail.**

(b) A person who sells or distributes tobacco products to a tobacco retailer who does not hold a valid tobacco sales certificate issued by the commission commits a Class A infraction.

(c) Each violation of this section constitutes a separate offense.

SECTION 20. IC 7.1-3-19-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. ~~Publication of Notice of Investigation.~~ The commission shall cause ~~two (2) notices~~ **one (1) notice** of the pending investigation to be published in a newspaper in accordance with the provisions of IC ~~1971,~~ 7.1-3-1-18. The publication of ~~notices~~ **the notice** shall be ~~one (1) calendar week apart, and the first publication shall be~~ at least ~~fifteen (15)~~ **thirty (30)** days before the investigation.

SECTION 21. IC 7.1-3-20-2.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2.5. ~~(a) This section applies notwithstanding IC 7.1-3-16.5.~~

~~(b)~~ **(a)** This section applies to each holder of a permit issued under section 2, 3, or 4 of this chapter.

~~(c)~~ **(b)** A permit holder may sell alcoholic beverages under the terms of the permit on any twelve (12) Sundays during a calendar year.

~~(d)~~ **(c)** Sales under this section may be made only for on-premises consumption.

SECTION 22. IC 7.1-3-20-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 12. The commission may issue a three-way permit for the sale of alcoholic beverages to the proprietor of a restaurant which is located outside the corporate limits of an incorporated city or town if the restaurant meets the additional requirements:

(1) It shall be a table service restaurant in which a patron is seated at a table and is served by a waiter or waitress and the food served is predominantly consumed on the premises.

(2) It shall be sufficiently served by adequate law enforcement at its premises.

(3) If it does business during seven (7) or more months of each year, it shall have had an annual gross food sales of at least one hundred thousand dollars ($100,000) for the three (3) years immediately preceding its application for a permit unless the permittee is the proprietor of a recreational facility such as a

golf course, bowling center, or similar facility ~~to which IC 7.1-3-16.5-2(c) applies.~~ **that has the recreational activity and not the sale of food and beverages as the principal purpose or function of the person's business.**

(4) If it does business during six (6) or fewer months of each year, it shall have had average monthly gross food sales of at least eight thousand five hundred dollars ($8,500) for each month it did business for the three (3) years immediately preceding its application for a permit.

SECTION 23. IC 7.1-3-20-13.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 13.5. Notwithstanding sections 12 and 13 of this chapter, ~~IC 7.1-3-16.5-2(c), and IC 7.1-3-16.5-3(c),~~ there is no annual or monthly gross food sales requirement to obtain a three-way permit ~~or a supplemental retailer's permit~~ for the sale of alcoholic beverages in a restaurant that is:

(1) open to the general public; and

(2) located on:

(A) the grounds of a regulation size golf course that has at least nine (9) holes; or

(B) the premises of a tennis club that has at least eight (8) regulation size tennis courts.

SECTION 24. IC 7.1-3-20-16 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 16. (a) A permit that is authorized by this section may be issued without regard to the quota provisions of IC 7.1-3-22.

(b) The commission may issue a three-way permit to sell alcoholic beverages for on premises consumption only to an applicant who is the proprietor, as owner or lessee, or both, of a restaurant facility in the passenger terminal complex of a publicly owned airport which is served by a scheduled commercial passenger airline certified to enplane and deplane passengers on a scheduled basis by a federal aviation agency. A permit issued under this subsection shall not be transferred to a location off the airport premises.

(c) The commission may issue a three-way, two-way, or one-way permit to sell alcoholic beverages for on premises consumption only to an applicant who is the proprietor, as owner or lessee, or both, of a restaurant within a redevelopment project consisting of a building or group of buildings that:

(1) was formerly used as part of a union railway station;

(2) has been listed in or is within a district that has been listed in the federal National Register of Historic Places maintained pursuant to the National Historic Preservation Act of 1966, as amended; and

(3) has been redeveloped or renovated, with the redevelopment or renovation being funded in part with grants from the federal, state, or local government.

A permit issued under this subsection shall not be transferred to a location outside of the redevelopment project.

(d) The commission may issue a three-way, two-way, or one-way permit to sell alcoholic beverages for on premises consumption only to an applicant who is the proprietor, as owner or lessee, or both, of a restaurant:

(1) on land; or

(2) in a historic river vessel;

within a municipal riverfront development project funded in part with state and city money. A permit issued under this subsection may not be transferred.

(e) The commission may issue a three-way, two-way, or one-way permit to sell alcoholic beverages for on premises consumption only to an applicant who is the proprietor, as owner or lessee, or both, of a restaurant within a renovation project consisting of a building that:

(1) was formerly used as part of a passenger and freight railway station; and

(2) was built before 1900.

The permit authorized by this subsection may be issued without regard to the proximity provisions of IC 7.1-3-21-11.

(f) The commission may issue a three-way permit for the sale of alcoholic beverages for on premises consumption at a cultural center for the visual and performing arts to a town that:

(1) is located in a county having a population of more than four hundred thousand (400,000) but less than seven hundred thousand (700,000); and

(2) has a population of more than twenty thousand (20,000) but less than twenty-three thousand (23,000).

(g) The commission may issue a three-way permit for the sale of alcoholic beverages for on premises consumption to an applicant who will locate as the proprietor, as owner or lessee, or both, of a restaurant within an economic development area under IC 36-7-14 in:

(1) a town with a population of more than twenty thousand (20,000); or

(2) a city with a population of more than twenty-seven thousand (27,000) but less than twenty-seven thousand four hundred (27,400);

located in a county having a population of more than ninety thousand (90,000) but less than one hundred thousand (100,000). The commission may issue not more than five (5) licenses under this section to premises within a municipality described in subdivision (1) and not more than five (5) licenses to premises within a municipality described in subdivision (2). The commission shall conduct an auction of the permits under IC 7.1-3-22-9, except that the auction may be conducted at any time as determined by the commission. Notwithstanding any other law, the minimum bid for an initial license under this subsection is thirty-five thousand dollars ($35,000), and the renewal fee for a license under this subsection is one thousand three hundred fifty dollars ($1,350). Before the district expires, a permit issued under this subsection may not be transferred. After the district expires, a permit issued under this subsection may be renewed, and the ownership of the permit may be transferred, but the permit may not be transferred from the permit premises.

(h) After June 30, 2005, the commission may issue not more than ten (10) new three-way, two-way, or one-way permits to sell alcoholic beverages for on premises consumption to applicants, each of whom must be the proprietor, as owner or lessee, or both, of a restaurant located within a district, or not more than five hundred (500) feet from a district, that meets the following requirements:

(1) The district has been listed in the National Register of Historic Places maintained under the National Historic Preservation Act of 1966, as amended.

(2) A county courthouse is located within the district.

(3) A historic opera house listed on the National Register of Historic Places is located within the district.

(4) A historic jail and sheriff's house listed on the National Register of Historic Places is located within the district.

The legislative body of the municipality in which the district is located must adopt an ordinance requesting the commission to issue the permit to the applicant. An applicant may not be the holder of a permit to sell alcoholic beverages that is subject to IC 7.1-3-22 and is for premises located within the district described in this section or within five hundred (500) feet of the district. A permit issued under this subsection shall not be transferred to another location. Nothing in this subsection affects or restricts an alcoholic beverage permit issued before July 1, 2005.".

Page 5, between lines 23 and 24, begin a new paragraph and insert:

"SECTION 26. IC 7.1-3-23-43 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: **Sec. 43. (a) The commission may suspend the permit of a permit holder if:**

(1) the permit holder has not paid the person who sold the permit to the permit holder in accordance with the terms of the sale;

(2) the seller of the permit receives a judgment against the permit holder in an action to obtain payment for the permit in accordance with the terms of the sale; and

(3) the seller of the permit sends a certified copy of the judgment to the commission.

(b) Before suspending a certificate under this section, the commission shall provide written notice to the permit holder and conduct a hearing. The commission shall provide written notice of the suspension to the permit holder.

(c) If a person who sells a permit:

(1) sends a judgment to the commission under subsection

(a); and

(2) subsequently receives full payment of the judgment;

the seller shall notify the commission in a manner prescribed by the commission that the seller has received full payment of the judgment not later than ten (10) days after receiving the payment.

SECTION 27. IC 7.1-3-25 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]:

Chapter 25. Product Transfer Between Wholesalers

Sec. 1. As used in this chapter, "existing wholesaler" means a beer wholesaler who distributes a product at the time a successor primary source of supply acquires rights to a product under section 5 of this chapter.

Sec. 2. As used in this chapter, "product" means an existing brand of:

(1) beer (as defined in IC 7.1-1-3-6); or

(2) flavored malt beverage (as defined in IC 7.1-1-3-16.7).

Sec. 3. As used in this chapter, "successor" means a primary source of supply that acquires rights to a product under section 5 of this chapter.

Sec. 4. As used in this chapter, "successor's designee" means one (1) or more beer wholesalers designated by a successor to replace the existing wholesaler, for all or part of the existing wholesaler's territory, in the distribution of the existing product.

Sec. 5. A successor:

(1) who acquires the rights to manufacture or distribute an existing product; and

(2) who:

(A) does not reappoint the existing wholesaler to distribute the product;

(B) reduces the existing wholesaler's territory for the product; or

(C) offers to compensate the existing wholesaler in an amount less than the fair market value determined under section 7 of this chapter;

must comply with this chapter. A successor's designee must also comply with this chapter.

Sec. 6. The successor shall notify the existing wholesaler of the successor's intent not to appoint the existing wholesaler for all or a part of the existing wholesaler's territory for the product. The successor shall mail the notice by certified mail, return receipt requested, to the existing wholesaler. The successor shall include in the notice the names, addresses, and telephone numbers of the successor's designees.

Sec. 7. A successor's designee shall negotiate with the existing wholesaler to determine the fair market value of the existing wholesaler's right:

(1) to distribute the product in the existing wholesaler's territory immediately before the successor acquired rights to the product under section 5 of this chapter; and

(2) as determined in an arms length transaction entered into without duress or threat of termination of the initial wholesaler's right described in subdivision (1).

Sec. 8. The existing wholesaler shall continue to distribute the product until payment of the compensation agreed to under section 7 of this chapter or awarded under section 11 of this chapter is received.

Sec. 9. (a) The successor's designee and the existing wholesaler shall negotiate in good faith. If the parties fail to reach an agreement not later than thirty (30) days after the existing wholesaler receives the notice under section 6 of this chapter, the successor's designee or the existing wholesaler may send a written notice to the:

(1) other party; and

(2) American Arbitration Association or its successor in interest;

declaring the party's intention to proceed with final and binding arbitration administered by the American Arbitration Association under the American Arbitration Association's Commercial Arbitration Rules.

(b) Notice of intent to arbitrate shall be sent, as provided in subsection (a), not later than thirty-five (35) days after the existing wholesaler receives notice under section 6 of this chapter. The arbitration proceedings shall conclude not later than forty-five (45) days after the date the notice of intent to arbitrate is mailed to a party.

Sec. 10. (a) The arbitration shall be conducted in the city within Indiana that:

(1) is closest to the existing wholesaler; and

(2) has a population of more than fifty thousand (50,000).

(b) The arbitration shall be conducted before one (1) impartial arbitrator to be selected by the American Arbitration Association. The arbitration shall be conducted in accordance with the rules and procedures of the American Arbitration Association.

Sec. 11. The arbitrator's award must be monetary only and may not enjoin or compel conduct. The arbitration is instead of all other remedies and procedures.

Sec. 12. (a) The cost of the arbitrator and any other direct costs of the arbitration shall be equally divided by the parties engaged in the arbitration. All other costs shall be paid by the party incurring them.

(b) The arbitrator shall render a decision not later than thirty (30) days after the conclusion of the arbitration unless this time period is extended by mutual agreement of the parties or by the arbitrator. The decision of the arbitration is final and binding on the parties. Under no circumstances may the parties appeal the decision of the arbitrator.

(c) A party who fails to participate in the arbitration hearings waives all rights the party would have had in the arbitration and is considered to have consented to the determination of the arbitrator.

Sec. 13. If the existing wholesaler does not receive payment of the compensation under section 7 or 11 of this chapter not later than thirty (30) days after the date of the settlement or arbitration award:

(1) the existing wholesaler shall remain the distributor of the product in the existing wholesaler's territory to at least the same extent that the existing wholesaler distributed the product immediately before the successor acquired rights to the product; and

(2) the existing wholesaler is not entitled to the settlement or arbitration award.

Sec. 14. Nothing in this chapter shall be construed to limit or prohibit good faith settlements voluntarily entered into by the parties.

Sec. 15. Nothing in this chapter shall be construed to give the existing wholesaler or a successor wholesaler any right to compensation if the existing wholesaler or successor wholesaler is terminated by the primary source of supply or predecessor source supplier either for failure to comply with any provision in the agreement to distribute the product or in accordance with IC 7.1-5-5-9.

SECTION 28. IC 7.1-4-4.1-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. The following biennial license fee is imposed for an employee's permit:

(1) ~~Five~~ **Fifteen** dollars ~~($5)~~ **($15)** if the permit is used only to perform volunteer service that benefits a nonprofit organization.

(2) Thirty dollars ($30) if subdivision (1) does not apply.

The term of a biennial employee's license is two (2) years.

SECTION 29. IC 7.1-4-4.1-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE] : Sec. 9. (a) This section applies to the following ~~seasonal or annual~~ **biennial** permits:

(1) Beer retailer's permit.
(2) Liquor retailer's permit.
(3) Wine retailer's permit.
(4) One-way permit.
(5) Two-way permit.
(6) Three-way permit.
(7) Airplane beer permit.
(8) Airplane liquor permit.
(9) Airplane wine permit.
(10) Boat beer permit.
(11) Boat liquor permit.
(12) Boat wine permit.
(13) Dining car beer permit.

(14) Dining car liquor permit.
(15) Dining car wine permit.
(16) Hotel seasonal permit.
~~(17) Supplemental retailer's permit.~~

(b) The commission shall charge a single fee for the issuance of any combination of retailer's permits issued for the same location or conveyance. ~~Except as provided in sections 10 and 11 of this chapter, the fee is equal to the sum of the amount determined under subsection (c) and the amount determined under subsection (d).~~

(c) An annual permit fee in the following amount is imposed on a retailer:

(1) ~~Two hundred fifty~~ **Three hundred seventy-five** dollars ~~($250),~~ **($375),** if the retailer serves only beer or only wine.

(2) ~~Five hundred~~ **Six hundred twenty-five** dollars ~~($500),~~ **($625),** if the retailer serves both beer and wine but no liquor.

(3) ~~Seven hundred fifty~~ **One thousand three hundred fifty** dollars ~~($750),~~ **($1,350),** if the retailer serves beer, wine, and liquor.

~~(d) An additional fee in the following amount is imposed on a retailer~~

~~(1) Two hundred fifty dollars ($250), if the retailer under the authority of IC 7.1-3-16.5 sells food and any combination of beer, wine, or liquor on Sunday.~~

~~(2) One thousand five hundred dollars ($1,500) if the retailer who is not under the authority of IC 7.1-3-16.5, sells any combination of beer, wine, or liquor on Sunday.~~

SECTION 30. IC 7.1-4-4.1-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 12. (a) This section applies to the following **biennial** permits:

(1) Beer dealer's permit.
(2) Liquor dealer's permit.
(3) Malt dealer's permit.
(4) Wine dealer's permit.

(b) The commission shall charge a single fee for the issuance of any combination of dealers' permits issued for the same location. The fee is equal to the sum of the amount determined under subsection (c).

(c) An annual permit fee in the following amount is imposed on a dealer:

(1) ~~Two hundred fifty~~ **Three hundred seventy-five** dollars ~~($250),~~ **($375),** if the dealer sells only beer, only liquor, or only wine.

(2) ~~Five hundred~~ **Six hundred twenty-five** dollars ~~($500),~~ **($625),** if the dealer sells:

(A) both beer and wine but no liquor;
(B) both wine and liquor but no beer; or
(C) both beer and liquor but no wine.

(3) ~~Seven hundred fifty~~ **One thousand three hundred fifty** dollars ~~($750),~~ **($1,350),** if the dealer sells beer, wine, and liquor.

SECTION 31. IC 7.1-4-7-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4. (a) Except as provided in subsection (b), the chairman and the department shall deposit the money collected under sections 1, 2, and 3 of this chapter daily with the treasurer of state, and not later than the fifth day of the following month shall cover: ~~them~~

(1) thirty-four percent (34%) of the money collected under section 1 of this chapter into the enforcement and administration fund established under IC 7.1-4-10-1; and

(2) sixty-six percent (66%) of the money collected under section 1 of this chapter and money collected under sections 2 and 3 of this chapter into the **state** general fund ~~of state~~ for **state** general fund purposes.

(b) The chairman and the department shall deposit ~~the~~ **all** money collected under IC 7.1-2-5-3, IC 7.1-2-5-8, IC 7.1-3-17.5, IC 7.1-3-17.7, IC 7.1-3-22-9, and IC 7.1-4-4.1-5 daily with the treasurer of state, and not later than the fifth day of the following month shall cover ~~them~~ **the money** into the enforcement and administration fund established under IC 7.1-4-10-1.

SECTION 32. IC 7.1-4-9-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. ~~Collection of Annual License Fees.~~ The chairman shall collect the required annual license fee paid in connection with the issuance of a beer retailer's permit, a beer dealer's permit, a liquor retailer's permit, a supplemental caterer's permit, a liquor dealer's permit, a wine retailer's permit, and a wine dealer's permit. ~~and a supplemental retailer's permit.~~

SECTION 33. IC 7.1-4-9-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. ~~Fees Deposited in Excise Fund.~~ **(a) Except as provided in subsection (b),** the chairman shall deposit the monies collected under the authority of this chapter daily with the treasurer of the state, and not later than the fifth day of the following month shall cover them into the "excise fund" to be distributed as provided in this chapter.

(b) The chairman shall deposit the money received from the collection of the fees for a three-way permit under IC 7.1-3-20-16(g) daily with the treasurer of state, and not later than the fifth day of the following month shall transfer the money into the enforcement and administration fund of the commission under IC 7.1-4-11.

SECTION 34. IC 7.1-4-9-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4. ~~Distribution to State General Fund. Thirty-three and one-third percent (33 1/3%)~~ **Twenty-five percent (25%)** of the ~~monies~~ **money** in the excise fund shall be deposited in the state general fund on the first day of June and the first day of December of each year.

SECTION 35. IC 7.1-4-9-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 7. ~~Distribution to Cities and Towns. Sixty-six and two-thirds percent (66 2/3%)~~ **Twenty-five percent (25%)** of the ~~monies~~ **money** in the excise fund shall, upon warrant of the state auditor, be paid into the general fund of the treasury of the city or town in which the retailer's or dealer's licensed premises are located. The money shall be paid to the treasurer of the county in which the retailer's or dealer's premises are located if they are located outside the corporate limits of a city or town.

SECTION 36. IC 7.1-4-9-7.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 7.5. Fifty percent (50%) of the money in the excise fund shall be deposited in the enforcement and administration fund under IC 7.1-4-10 on the first day of June and the first day of December of each year.**

SECTION 37. IC 7.1-4-11-2.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: **Sec. 2.5. The chairman shall deposit the money received from the collection of the fees for a three-way permit under IC 7.1-3-20-16(g) daily with the treasurer of state, and not later than the fifth day of the following month shall transfer the money into the enforcement and administration fund.**

SECTION 38. IC 7.1-5-5-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 7. (a) It is unlawful for a permittee in a sale or contract to sell alcoholic beverages to discriminate between purchasers by granting a price, discount, allowance, or service charge which is not available to all purchasers at the same time. However, this section does not authorize or require a permittee to sell to a person to whom ~~he~~ **the permittee** is not authorized to sell under this title.

(b) A premises that operates at least two (2) restaurants that are separate and distinct from each other on the same premises may provide for a different schedule of prices in each restaurant if each restaurant conforms to all other laws and rules of the commission regarding pricing and price discrimination in its separate and distinct areas.

(c) This section does not apply to the holder of an excursion and adjacent landsite permit that complies with IC 7.1-3-17.5-6.

(d) Notwithstanding subsection (a), a beer wholesaler may offer a special discount price to a beer dealer or beer retailer for beer or flavored malt beverage, if the beer or flavored malt beverage:

(1) is a brand or package the beer wholesaler has discontinued; or

(2) will expire in not more than:

(A) twenty (20) days for packaged beer or packaged flavored malt beverage; and

(B) ten (10) days for draft beer or draft flavored malt beverage.

(e) The special discount under subsection (d) only applies to beer or flavored malt beverage that will expire and be subject to removal from retailer or dealer shelves in accordance with the primary source of supply's coding data clearly identified on the container.

(f) Any beer or flavored malt beverage sold at a special discount price under subsection (d) shall be accompanied by an invoice clearly designating, in addition to all other information required by law, all the following information:

(1) The date of delivery.

(2) The expiration date of each brand, package type, and quantity delivered.

(3) The per unit price for each package.

SECTION 39. IC 7.1-5-5-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 9. ~~Unequitable Termination of Contract Prohibited.~~ It is unlawful for a beer wholesaler or a ~~brewer in this state, or a brewer or other person located outside this state who sells beer to a permittee in this state for the purpose of importation and resale within this state~~ **primary source of supply** to:

(1) coerce, or attempt to coerce, or persuade a beer wholesaler to enter into an agreement, or to take an action, which will violate, or tend to violate, a provision of this title or of the rules and regulations of the commission; or

(2) cancel or terminate an agreement or contract between a beer wholesaler and a ~~brewer~~ **primary source of supply** for the sale of beer, unfairly and without due regard for the equities of the other party.

SECTION 40. IC 7.1-5-5-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 11. (a) Except as provided in ~~subsection~~ **subsections** (c) **and (d),** it is unlawful for a manufacturer of alcoholic beverages or a permittee authorized to sell and deliver alcoholic beverages to:

(1) give, supply, furnish, or grant to another permittee who purchases alcoholic beverages from him a rebate, sum of money, accessory, furniture, fixture, loan of money, concession, privilege, use, title, interest, lease, or rental of premises; or

(2) except as provided in IC 7.1-3-2-9 and IC 7.1-3-3-5(f), have a business dealing with the other permittee.

(b) This section shall not apply to the sale and delivery and collection of the sale price of an alcoholic beverage in the ordinary course of business.

(c) If the promotional program is approved under the rules adopted by the commission and is conducted in all wholesaler establishments through which the manufacturer distributes alcoholic beverages in Indiana, a manufacturer of alcoholic beverages may award bona fide promotional prizes and awards to any of the following:

(1) A person with a wholesaler's permit issued under IC 7.1-3.

(2) An employee of a person with a wholesaler's permit issued under IC 7.1-3.

(d) A manufacturer may offer on a nondiscriminatory basis bona fide incentives to wholesalers when the incentives are determined based on sales to retailers or dealers occurring during specified times for specified products. The incentive may be conditioned on the wholesaler selling a:

(1) specified product at a specified price or less than a specified price; or

(2) minimum quantity of a specified product to a single customer in a single transaction.

The incentive may not be conditioned on a wholesaler having total sales of a minimum quantity of a specified product during the applicable period.

SECTION 41. IC 7.1-5-7-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 11. (a) The provisions of sections 9 and 10 of this chapter shall not apply if the public place involved is one (1) of the following:

(1) Civic center.

(2) Convention center.

(3) Sports arena.

(4) Bowling center.

(5) Bona fide club.

(6) Drug store.

(7) Grocery store.

(8) Boat.

(9) Dining car.

(10) Pullman car.

(11) Club car.

(12) Passenger airplane.

(13) Horse racetrack facility holding a recognized meeting permit under IC 4-31-5.

(14) Satellite facility (as defined in IC 4-31-2-20.5).

(15) Catering hall under IC 7.1-3-20-24 that is not open to the public.

(16) That part of a hotel or restaurant which is separate from a room in which is located a bar over which alcoholic beverages are sold or dispensed by the drink.

(17) Entertainment complex.

(18) Indoor golf facility.

(19) A recreational facility such as a golf course, bowling center, or similar facility ~~to which IC 7.1-3-16.5-2(c) applies.~~ **that has the recreational activity and not the sale of food and beverages as the principal purpose or function of the person's business.**

(20) A licensed premises owned or operated by an educational institution of higher learning (as defined in IC 20-12-15-1).

(21) An automobile racetrack.

(b) For the purpose of this subsection, "food" means meals prepared on the licensed premises. It is lawful for a minor to be on licensed premises in a room in which is located a bar over which alcoholic beverages are sold or dispensed by the drink if all the following conditions are met:

(1) The minor is eighteen (18) years of age or older.

(2) The minor is in the company of a parent, guardian, or family member who is twenty-one (21) years of age or older.

(3) The purpose for being on the licensed premises is the consumption of food and not the consumption of alcoholic beverages.".

Page 6, between lines 18 and 19, begin a new paragraph and insert:

"SECTION 43. IC 7.1-5-8-11 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: **Sec. 11. (a) A person who:**

(1) purchases;

(2) offers for sale; or

(3) possesses;

an alcohol vaporizing device or vaporized alcohol commits possession, sale, or purchase of vaporized alcohol or vaporized alcohol paraphernalia, a Class A infraction.

(b) A person who:

(1) knowingly or intentionally violates subsection (a); and

(2) has a prior unrelated judgment or conviction under this section;

commits a Class A misdemeanor.

SECTION 44. IC 7.1-3-16.5 REPEALED [EFFECTIVE UPON PASSAGE].

SECTION 45. [EFFECTIVE JULY 1, 2005] **IC 7.1-5-8-11, as added by this act, applies only to acts committed after June 30, 2005.**".

Renumber all SECTIONS consecutively.

(Reference is to SB 382 as reprinted February 23, 2005.)

and when so amended that said bill do pass.

Committee Vote: yeas 9, nays 1.

ALDERMAN, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Public Health, to which was referred Engrossed Senate Bill 416, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Delete the title and insert the following:

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

Page 2, delete lines 25 through 32.

Page 5, delete lines 20 through 26.
Page 7, delete lines 7 through 13.
Page 10, delete lines 38 through 42.
Delete pages 11 through 13.
Page 14, delete lines 1 through 20.
Page 17, line 7, after "2." insert "**(a)**".
Page 17, between lines 10 and 11, begin a new paragraph and insert:
"**(b) Notwithstanding subsection (a), the state department shall issue without additional requirements a license to a diagnostic imaging facility that is accredited by the American College of Radiology.**".
Page 20, line 8, after "fee." insert "**However, more than one (1) diagnostic imaging facility may operate under one (1) license if each diagnostic imaging facility is:**
(1) owned by the same person or governmental unit; and
(2) under the authority of the same governing board.".
Page 22, delete lines 26 through 42.
Delete pages 23 through 25.
Page 26, delete lines 1 through 2.
Page 27, line 19, delete "review)." and insert "**review of a diagnostic imaging facility).**".
Page 27, line 41, delete "organization(as" and insert "organization (as".
Page 28, line 3, delete "IC 16-18-2-69.4;".
Page 28, after line 4, begin a new paragraph and insert:
"SECTION 21. [EFFECTIVE JULY 1, 2005] **(a) As used in the SECTION, "diagnostic imaging facility" means a place, an entity, an enterprise, a motor vehicle, or a vehicle that provides diagnostic imaging services to an individual for the purpose of providing health care.**
(b) As used in this SECTION, "diagnostic imaging service" means any of the following services or procedures:
(1) Computed tomography.
(2) Positron emission tomography.
(3) Magnetic resonance imaging.
(4) Nuclear imaging.
(5) Ultrasonography, except when used in the course of providing obstetrical care.
(6) Angiography.
(7) A service or procedure identified as a diagnostic imaging service under a rule adopted by the state department under IC 16-24.5.
The term includes a service or procedure described in this subsection that requires the insertion of a needle, catheter tube, or probe through the skin or a body orifice.
(c) As used in this SECTION, "commission" refers to the health finance commission established by IC 2-5-23-3.
(d) The commission shall study:
(1) the need to obtain financial and patient information from diagnostic imaging facilities and ambulatory outpatient surgical centers;
(2) the need to license diagnostic imaging facilities; and
(3) if the commission determines that there is a need to obtain financial and patient information under subdivision (1):
(A) the means to collect the information; and
(B) the health care professionals and facilities that should be required to report the information.
(e) Before November 15, 2005, the commission shall issue a report. The report must contain the commission's findings and recommendations. The commission shall submit a copy of the report to the executive director of the legislative services agency in an electronic format under IC 5-14-6.
(f) This SECTION expires December 31, 2005.".
Renumber all SECTIONS consecutively.
(Reference is to SB 416 as reprinted March 1, 2005.)
and when so amended that said bill do pass.

Committee Vote: yeas 6, nays 4.

BECKER, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Elections and Apportionment, to which was referred Engrossed Senate Bill 419, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:
Delete the title and insert the following:
A BILL FOR AN ACT to amend the Indiana Code concerning the rights of citizens serving overseas.
Page 13, between lines 29 and 30, begin a new paragraph and insert:
"SECTION 17. IC 6-3-2-20 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2002 (RETROACTIVE)]: **Sec. 20. (a) This section applies to an employer that reemploys an employee under IC 10-16-7.5.**
(b) An employer that reemploys an employee who was called to active duty in the Indiana National Guard is entitled to a one (1) time deduction from the employer's adjusted gross income equal to the lesser of:
(1) the employee's compensation actually paid by the employer for the period of time specified in IC 10-16-7.5-8; or
(2) five hundred dollars ($500).
SECTION 18. IC 10-16-7.5 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2002 (RETROACTIVE)]:
Chapter 7.5. National Guard Employment Rights
Sec. 1. This chapter applies to a person called to active duty after September 11, 2001.
Sec. 2. As used in this chapter, "active duty" means full-time service in the national guard for a period that exceeds thirty (30) consecutive days in a calendar year.
Sec. 3. As used in this chapter, "employee" means an individual employed or permitted to work or perform any service for remuneration under a contract for hire, written or oral, by an employer in any occupation.
Sec. 4. As used in this chapter, "employer" means a person who employs at least twenty-five (25) employees in Indiana, including the state and political subdivisions of the state. The term does not include the United States or a corporation wholly owned by the United States.
Sec. 5. As used in this chapter, "national guard" refers only to:
(1) the Indiana army national guard; and
(2) the Indiana air national guard.
Sec. 6. As used in this chapter, "person" means an individual, a partnership, a corporation, a limited liability company, an unincorporated association, or a governmental entity.
Sec. 7. As used in this chapter, "political subdivision" has the meaning set forth in IC 6-3.5-2-1.
Sec. 8. (a) When an employee who was called to active duty is discharged or released after the active duty, the employer of the employee shall reemploy the employee for:
(1) a period of employment required by the federal Uniform Services Employment and Reemployment Rights Act, 38 U.S.C. 4301 through 38 U.S.C. 4330; and
(2) an additional period equal to the extent to which the time the employee was on active duty exceeds the period of time determined under subdivision (1).
(b) Reemployment under subsection (a) shall be covered by the provisions of the federal Uniform Services Employment and Reemployment Rights Act.
(c) The period of reemployment under subsection (a) begins on the first day the employee reports to work for the employer after the employee's discharge or release from active duty.
Sec. 9. An employer who reemploys an employee under section 8 of this chapter is entitled to a deduction from the employer's adjusted gross income under IC 6-3-2-20.
Sec. 10. This chapter may not be construed as a restriction or limitation on any of the rights, benefits, and protections granted to a member of the national guard under federal law.
SECTION 19. IC 20-12-21-5.1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5.1. (a) In addition to the duties described in section 5(a) of this chapter, the

commission shall do the following:

(1) Prepare and supervise the issuance of public information concerning all of the commission's programs.

(2) Prescribe the form and regulate the submission of applications for all of the commission's programs.

(3) Determine the amounts of grants and scholarships.

(4) Determine eligibility for grants and scholarships.

(5) Receive federal funds made available to the commission for awards, grants, and scholarships, and disburse these funds in the manner prescribed by federal law.

(b) In addition to the powers described in section 5(b) of this chapter, the commission may do the following:

(1) Accept gifts, grants, devises, or bequests for the purpose of providing grants, awards, scholarships, loans, or other forms of financial aid to students attending approved institutions of higher learning.

(2) Enter into contracts, subject to IC 4-13-2, that the commission determines are necessary to carry out the commission's functions.

(3) Provide administrative or technical assistance to other governmental or nongovernmental entities if the provision of this assistance will increase the number and value of grants, awards, scholarships, or loans available to students attending approved institutions of higher learning.

(c) When the commission receives an offer of a gift, grant, devise, or bequest under subsection (b)(1), the commission may accept stipulations on the use of the donated funds. In this case, sections 7(d) and 17 of this chapter do not apply. Before accepting a gift, grant, devise, or bequest, the commission shall determine that the purposes for which a donor proposes to provide funds are:

(1) lawful;

(2) in the state's best interests; and

(3) generally consistent with the commission's programs and purposes.

Whenever the commission agrees to stipulations on the use of donated funds under this subsection, the commission and the donor shall, subject to approval by the state budget agency and the governor or the governor's designee, execute an agreement.

(d) Whenever the commission agrees to provide administrative or technical assistance under subsection (b)(3), the commission and the party to whom the assistance is to be provided shall execute an agreement specifying:

(1) the assistance that is to be provided; and

(2) the charges, if any, that are to be assessed by the commission for providing this assistance.

The commission may waive charges for administrative or technical assistance under this subsection if the commission determines that a waiver is in the best interest of the state. Agreements to provide assistance under this subsection must be approved by the budget agency and the governor or the governor's designee.

(e) The commission shall exercise its functions without regard to an applicant's race, creed, sex, color, national origin, or ancestry.

(f) This subsection applies to a person called to active duty after September 11, 2001. As used in this subsection, "active duty" means full-time service in the national guard (as defined in IC 10-16-1-13) that exceeds thirty (30) consecutive days in a calendar year. When determining financial eligibility under subsection (a)(4) for a Frank O'Bannon grant, which includes grants formerly designated as the higher education award and the freedom of choice award, the commission may not consider any salary for service on active duty that is received by a member of the national guard who is called to active duty.

SECTION 20. IC 20-12-74-8 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 8. (a) This section applies to a person called to active duty after September 11, 2001.**

(b) As used in this section, "active duty" means full-time service in the national guard (as defined in IC 10-16-1-13) that exceeds thirty (30) consecutive days in a calendar year.

(c) A person who:

(1) is called to active duty; and

(2) meets the requirements of subsection (d);

is entitled to an extension of time under subsection (e) to renew a tuition scholarship awarded under section 7(a) of this chapter.

(d) A person must meet the following requirements to receive an extension of time under subsection (c):

(1) On the date the person is called to active duty, the person must be attending a state educational institution using a tuition scholarship awarded under section 7(a) of this chapter.

(2) The person must provide proof of active duty by providing a copy of the person's:

(A) discharge; or

(B) government movement orders;

to the commission at the time the person applies for renewal of the tuition scholarship awarded under section 7(a) of this chapter.

(3) Not later than one hundred eighty (180) days after the person's discharge or release from active duty, the person must resume the course of study in which the person was enrolled when the person was called to active duty.

(e) The extension of time to which a person is entitled under subsection (c) is equal in length to the period during which the person was on active duty status. However, the number of semesters for which a person may receive a tuition scholarship awarded under section 7(a) of this chapter, including all renewals under this section, may not exceed the number specified in section 7(b) of this chapter.

(f) A person who, at the time the person was called to active duty:

(1) met the eligibility criteria established by:

(A) this chapter; and

(B) the commission; and

(2) had received a tuition scholarship under section 7(a) of this chapter;

may use the extension of time under subsection (c) to renew the tuition scholarship without meeting the requirements set forth in sections 2(1) and 3(4) of this chapter.

(g) This section may not be construed as a restriction or limitation on any of the rights, benefits, and protections granted to a member of the national guard (as defined in IC 10-16-1-13) under federal law.

SECTION 21. [EFFECTIVE JANUARY 1, 2002 (RETROACTIVE)] **IC 6-3-2-20, as added by this act, applies to taxable years beginning after December 31, 2001.**".

Renumber all SECTIONS consecutively.

(Reference is to SB 419 as printed February 1, 2005.)

and when so amended that said bill do pass.

Committee Vote: yeas 11, nays 0.

THOMAS, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Education, to which was referred Engrossed Senate Bill 474, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 1, line 3, delete "," and insert "**and the legislative council (in an electronic format under IC 5-14-6),**".

(Reference is to SB 474 as printed February 18, 2005.)

and when so amended that said bill do pass.

Committee Vote: yeas 6, nays 2.

BEHNING, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Elections and Apportionment, to which was referred Engrossed Senate Bill 482, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill do pass.

Committee Vote: yeas 9, nays 1.

THOMAS, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred Engrossed Senate Bill 496, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 1, between the enacting clause and line 1, begin a new paragraph and insert:

"SECTION 1. IC 2-2.1-4 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:

Chapter 4. Budget Bills

Sec. 1. As used in this chapter, "general appropriation" refers to an appropriation described in section 10 of this chapter.

Sec. 2. Except as provided in sections 4 and 5 of this chapter, all of the general appropriations enacted by the general assembly for a state fiscal year, including appropriations for a state fiscal year made by a continuing appropriation enacted in any law, are void if the total of the general appropriations for the state fiscal year exceeds ninety-nine percent (99%) of the state revenue that the budget agency estimates under section 6 of this chapter will be available in the state fiscal year to pay for the appropriations. This section applies to all the general appropriations enacted for a state fiscal year regardless of whether the appropriations were enacted in the same bill or in the same session of the general assembly.

Sec. 3. The general appropriations enacted in a budget bill (as defined in IC 4-12-1-2) are void if:

(1) the bill includes appropriations for a state fiscal year, including increases in the appropriations for a state fiscal year, that total at least one hundred million dollars ($100,000,000); and

(2) the last version of the bill available to and voted on by each legislator or, if a later conference committee report was adopted for the bill, the last conference committee report available to and adopted by each legislator does not include the following information on the first or second page of the bill or in the bill's digest or synopsis:

(A) A materially accurate and complete explanation indicating the dollar amount of the surplus or deficit resulting from subtracting the total of all general appropriations made for each state fiscal year affected by the bill or the bill's conference committee report from the estimate of state revenue for that state fiscal year.

(B) A materially accurate and complete explanation indicating the percentage of the state revenue for each state fiscal year affected by the bill or the bill's conference committee report that is appropriated for general appropriations payable in that state fiscal year.

Sec. 4. Sections 2 and 3 of this chapter do not void an appropriation for a purpose described in IC 4-10-15 for which expenditures may be made without the enactment of an appropriation.

Sec. 5. (a) An appropriation that otherwise must be considered in complying with section 2 or 3 of this chapter shall be excluded from all computations related to determining compliance with section 2 or 3 of this chapter only if:

(1) the general assembly, in a regular session, authorizes an emergency appropriation by enacting a supplemental appropriations act that contains all the statements described in subsection (b); and

(2) the act is approved by a two-thirds (2/3) majority of the house of representatives and a two-thirds (2/3) majority of the senate.

(b) To satisfy subsection (a)(1), an act must contain the following:

(1) A statement describing which appropriations in the act are excluded from the application of sections 2 and 3 of this chapter.

(2) A description of the additional amount of emergency appropriations and an explanation of the specific circumstances that created the need for a supplemental appropriation.

Sec. 6. (a) For each state fiscal year, the budget agency shall compute an estimate of state revenue using the formula established in section 7 of this chapter. An estimate for the two (2) years of a biennial budget period shall be computed before December 31 of the even-numbered year immediately preceding the beginning of each budget period. The first estimate required under this subsection is the estimate for the budget period beginning July 1, 2007, which shall be computed before December 31, 2006.

(b) For the second state fiscal year in a budget period, the budget agency shall revise the estimate of state revenue using the formula established in section 7 of this chapter. The revision of the estimate for the second year of a budget period shall be prepared before December 31 of the odd-numbered year immediately preceding the second state fiscal year in the budget period. The first revision required under this subsection is the revision for the second year of the budget period beginning July 1, 2007, which shall be computed before December 31, 2007.

(c) The budget agency may revise an estimate calculated under subsection (a) or a revised estimate calculated under subsection (b) after the estimate is distributed. A revision under this subsection must be prepared not later than fifteen (15) days before either chamber of the general assembly adjourns a session sine die.

(d) The last estimate computed under this section and distributed under section 8 of this chapter before the adjournment of a session sine die applies to all appropriations enacted before the end of that session.

(e) The last estimate computed under this section and distributed under section 8 of this chapter before a version of a bill or a later conference committee report for a bill is printed applies to all appropriations affected by that version of a bill or a bill's conference committee report.

Sec. 7. The estimated state revenue for a state fiscal year is the amount determined under STEP THREE of the following formula:

STEP ONE: Determine the general revenues available for the state fiscal year, which is equal to the estimated revenues from all sources that are:

(A) forecast by the revenue forecast technical committee to be received in the immediately following budget period; and

(B) required by law to be deposited in the state general fund or the property tax replacement fund;

including revenues from gross retail taxes, utility receipts taxes, adjusted gross income taxes, cigarette taxes, taxes on alcoholic beverages, riverboat wagering taxes, riverboat admissions taxes, inheritance taxes, insurance premium taxes, financial institution taxes, interest, and other miscellaneous income other than revenues described in section 10 STEP TWO of this chapter.

STEP TWO: Determine the total of net adjustments to be made to the general revenues for the state fiscal year, which is the amount determined under clause (I) of the following formula:

(A) Determine the disproportionate share and enhanced disproportionate share revenues that will be received by the state in the state fiscal year.

(B) Determine the interfund transfers to be made from the build Indiana fund to the state general fund or the property tax replacement fund in the state fiscal year.

(C) Determine the interfund transfers to be made from the counter-cyclical revenue and economic stabilization fund to the state general fund or the property tax replacement fund in the state fiscal year.

(D) Determine the sum of the amounts determined under clauses (A) through (C).

(E) Determine the interfund transfers to be made from the state general fund or the property tax replacement fund to the build Indiana fund in the state fiscal year.

(F) Determine the interfund transfers to be made from the state general fund or the property tax replacement fund to the counter-cyclical revenue and economic stabilization fund in the state fiscal year.

(G) Determine the amount included in the amount

determined under STEP ONE that results from any of the following:

(i) An extraordinary nonrecurring transfer into the state general fund or the property tax replacement fund from a source other than the state general fund or the property tax replacement fund. For purposes of this item, generally accepted accounting principles apply in determining whether a transfer qualifies as extraordinary.

(ii) A distribution from the federal government that may be expended without an appropriation by the general assembly, other than a distribution described in clause (A).

(H) Determine the sum of the amounts determined under clauses (E) through (G).

(I) Subtract the amount determined under clause (H) from the amount determined under clause (D).

STEP THREE: If:

(A) the STEP TWO amount is zero dollars ($0), the estimated state revenues for the state fiscal year is the STEP ONE amount;

(B) the STEP TWO amount is greater than zero dollars ($0), the estimated state revenues for the state fiscal year is the sum of the STEP ONE amount and the STEP TWO amount; and

(C) the STEP TWO amount is less than zero dollars ($0), the estimated state revenues for the state fiscal year is the result of the STEP ONE amount minus the absolute value of the STEP TWO amount.

Sec. 8. (a) Not earlier than December 1 and not later than the first session day of the general assembly after December 31 of each even-numbered year, the budget agency shall submit in an electronic format under IC 5-14-6 to the executive director of the legislative services agency a report that includes at least the following information:

(1) The estimated state revenue for each of the state fiscal years in the immediately following biennial budget period.

(2) The supporting data and calculations necessary for a person to independently verify the manner in which the estimates of state revenue described in subdivision (1) were determined.

(b) Not earlier than December 1 and not later than the first session day of the general assembly after December 31 in each odd-numbered year, the budget agency shall submit in an electronic format under IC 5-14-6 to the executive director of the legislative services agency a report that includes at least the following information:

(1) The estimated state revenue for the second state fiscal year in the current budget period.

(2) The supporting data and calculations necessary for a person to independently verify the manner in which the estimate of state revenue described in subdivision (1) was determined.

(c) Not later than three (3) days (including Saturday, Sunday, or any holiday) after the budget agency revises an estimate of state revenue distributed under subsection (a) or (b), the budget agency shall submit in an electronic format under IC 5-14-6 to the executive director of the legislative services agency a report that includes at least the following information:

(1) The revised estimated state revenue for the state fiscal years affected by the report.

(2) The supporting data and calculations necessary for a person to independently verify the manner in which the revised estimates of state revenue described in subdivision (1) were determined.

Sec. 9. (a) The budget agency shall compute the dollar amount of the total of general appropriations from the state general fund and the property tax replacement fund for each state fiscal year for which an appropriation is made or being considered:

(1) each time that a bill or a bill's conference committee report described in section 3 of this chapter is being considered for final action by the house of representatives or the senate; and

(2) not later than thirty (30) days after the adjournment sine die of a session of the general assembly.

(b) While the general assembly is in session, reports, submitted in an electronic format under IC 5-14-6, containing at least the total dollar amount of general appropriations must be delivered to the executive director of the legislative services agency in a format and on a schedule that allows bills and conference committee reports described in section 3 of this chapter to be printed without delay with the information required under that section.

(c) Not later than thirty-five (35) days after a session of the general assembly adjourns sine die, a report, submitted in an electronic format under IC 5-14-6, containing at least the total dollar amount of general appropriations must be delivered to the executive director of the legislative services agency. A report required by this subsection must be delivered not later than five (5) regular business days after it is computed.

Sec. 10. The total of general appropriations from the state general fund and the property tax replacement fund for a state fiscal year is equal to the amount determined under STEP THREE of the following formula:

STEP ONE: Determine the total amount that is authorized by appropriation for payment or transfer from the state general fund or the property tax replacement fund in the state fiscal year, regardless of the bill or session in which the appropriation is or is to be enacted.

STEP TWO: Determine the total amount included in the STEP ONE amount that is appropriated from the state general fund or the property tax replacement fund for:

(A) settlements and judgments;

(B) transfers between accounts in the state general fund, accounts in the property tax replacement fund, or the state general fund and the property tax replacement fund;

(C) the distribution of tax refunds or refundable tax credits; or

(D) any purpose to the extent that money described in section 7, STEP TWO (G)(ii) of this chapter (distribution from the federal government that may be expended without an appropriation) is to fund the appropriation.

STEP THREE: Subtract the STEP TWO amount from the STEP ONE amount.

Sec. 11. (a) The part of an appropriation that is an open ended appropriation exceeding a specific amount appropriated for a purpose is not to be considered in computing general appropriations under section 10 of this chapter.

(b) For purposes of section 10 of this chapter, a descriptive appropriation that does not authorize a specific amount for expenditure in a state fiscal year is to be estimated as the maximum amount that the budget agency estimates may be expended in the period for which the appropriation is made for purposes of the appropriation. For purposes of section 10 of this chapter, if the appropriation is made for a period exceeding one (1) state fiscal year and less than eleven (11) state fiscal years, the maximum allowable appropriation shall be apportioned among the state fiscal years by the same percentage. If the appropriation is made for more than ten (10) state fiscal years, the maximum allowable appropriation shall be apportioned by the same percentage over the initial ten (10) state fiscal years.

(c) For purposes of section 10 of this chapter, if an appropriation of a specific amount is made for a period exceeding one (1) state fiscal year, fifty percent (50%) of the appropriated amount is to be allocated as a general appropriation for each state fiscal year in a budget period.

(d) For purposes of section 10 of this chapter, language that only authorizes a person to issue bonds, enter into a loan agreement, enter into a lease, or enter into another agreement shall not be treated as an appropriation unless the general assembly otherwise appropriates money to pay for or to repay the authorized obligations.

(e) For purposes of complying with section 3 of this chapter but not section 2 of this chapter, only appropriations that:

(1) have been enacted into law;

(2) are contained in a bill or a bill's conference committee report in which appropriation surplus or deficit is to be

printed;

(3) were previously passed by both houses of the general assembly in the same session as a bill or a bill's conference committee report in which appropriation surplus or deficit is to be printed; or

(4) are contained in any other bill that by rule of the house of representatives or the senate must be considered in complying with section 3 of this chapter;

shall be considered in computing the total of general appropriations under section 10 of this chapter.

SECTION 2. IC 4-10-18-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JUNE 15, 2005]: Sec. 1. As used in this chapter:

"Adjusted personal income" for a particular calendar year means the adjusted state personal income for that year as determined under section 3(b) of this chapter.

"Annual growth rate" for a particular calendar year means the percentage change in adjusted personal income for the particular calendar year as determined under section 3(c) of this chapter.

"Budget director" refers to the director of the budget agency established under IC 4-12-1.

"Costs" means the cost of construction, equipment, land, property rights (including leasehold interests), easements, franchises, leases, financing charges, interest costs during and for a reasonable period after construction, architectural, engineering, legal, and other consulting or advisory services, plans, specifications, surveys, cost estimates, and other costs or expenses necessary or incident to the acquisition, development, construction, financing, and operating of an economic growth initiative.

"Current calendar year" means a calendar year during which a transfer to or from the fund is initially determined under sections 4 and 5 of this chapter.

"Economic growth initiative" means:

(1) the construction, extension, or completion of sewerlines, waterlines, streets, sidewalks, bridges, roads, highways, public ways, and any other infrastructure improvements;

(2) the leasing or purchase of land and any site improvements to land;

(3) the construction, leasing, or purchase of buildings or other structures;

(4) the rehabilitation, renovation, or enlargement of buildings or other structures;

(5) the leasing or purchase of machinery, equipment, or furnishings; or

(6) the training or retraining of employees whose jobs will be created or retained as a result of the initiative.

"Fund" means the counter-cyclical revenue and economic stabilization fund established under this chapter.

"General fund revenue" means all general purpose tax revenue and other unrestricted general purpose revenue of the state, including federal revenue sharing monies, credited to the:

(1) state general fund; **or**

(2) property tax replacement fund;

and from which appropriations may be made. The term "general fund revenue" does not include revenue held in the reserve for tuition support under IC 4-12-1-12.

"Implicit price deflator for the gross national product" means the implicit price deflator for the gross national product, or its closest equivalent, which is available from the United States Bureau of Economic Analysis.

"Political subdivision" has the meaning set forth in IC 36-1-2-13.

"Qualified economic growth initiative" means an economic growth initiative that is:

(1) proposed by or on behalf of a political subdivision to promote economic growth, including the creation or retention of jobs or the infrastructure necessary to create or retain jobs;

(2) supported by a financing plan by or on behalf of the political subdivision in an amount at least equal to the proposed amount of the grant under section 15 of this chapter; and

(3) estimated to cost not less than twelve million five hundred thousand dollars ($12,500,000).

"State personal income" means state personal income as that term is defined by the Bureau of Economic Analysis of the United States Department of Commerce or its successor agency.

"Total state general fund revenue" for a particular state fiscal year means the amount of that revenue for the particular state fiscal year as finally determined by the auditor of state.

"Transfer payments" means transfer payments as that term is defined by the Bureau of Economic Analysis of the United States Department of Commerce or its successor agency.

SECTION 3. IC 4-10-18-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. (a) If the annual growth rate for the calendar year preceding the current calendar year exceeds two percent (2%), there is appropriated to the fund from the state general fund, for the state fiscal year beginning in the current calendar year, an amount equal to the product of:

(1) the total state general fund revenues for the state fiscal year ending in the current calendar year; multiplied by

(2) the remainder of:

(A) the annual growth rate for the calendar year preceding the current calendar year; minus

(B) two percent (2%).

(b) If the annual growth rate for the calendar year immediately preceding the current calendar year is less than a negative two percent (-2%), there is appropriated from the fund to the state general fund **and the property tax replacement fund,** for the state fiscal year beginning in the current calendar year, an amount equal to the product of:

(1) the total state general fund revenues for the state fiscal year ending in the current calendar year; multiplied by

(2) negative one (-1); and further multiplied by

(3) the remainder of:

(A) the annual growth rate for the calendar year preceding the current calendar year; minus

(B) negative two percent (-2%).

The amount appropriated to each fund is proportional to the amount needed to balance each fund as described in section 9 of this chapter.

SECTION 4. IC 4-10-18-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. (a) As soon as the auditor of state makes a final determination of the amount of total state general fund revenues for a particular state fiscal year, ~~he~~ **the auditor** shall certify that amount to the budget director.

(b) As soon as possible after receiving the certification from the auditor of state under subsection (a), the budget director shall determine the amount, if any, that is appropriated into or out of the fund under section 4 of this chapter. If an appropriation is made into the fund under section 4 of this chapter, the budget director shall immediately certify that amount to the treasurer of state. If an appropriation is made out of the fund under section 4 of this chapter, the budget director shall certify to the treasurer of state an amount equal to the part of the appropriation, if any, by which the general fund general operating budget **and the noncapital budget payable from the property tax replacement fund** for the state fiscal year for which the appropriation is made, exceeds the budget director's estimate of the total general fund revenues for that same state fiscal year. The budget director shall make the certification or certifications of money to be transferred out of the fund at the time or times that ~~he~~ **the budget director** determines the general fund general operating budget **and the noncapital budget payable from the property tax replacement fund** would exceed the total estimated state general fund revenues.

(c) Immediately upon receiving a certification from the budget director under subsection (b), the auditor of state and treasurer of state shall make the appropriate transfer into or out of the fund.

(d) Any amount, which is appropriated out of the fund under section 4 of this chapter, but which has not been transferred out of the fund under this section at the end of the state fiscal year for which the appropriation is made, shall revert to the fund.

SECTION 5. IC 4-10-18-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JUNE 15, 2005]: Sec. 8. (a) Except as provided in subsection (b), if the balance, at the end of a state fiscal year, in the fund exceeds ~~seven~~ **ten** percent ~~(7%)~~ **(10%)** of the total state general fund revenues for that state fiscal year, the excess is appropriated from the fund to the property tax replacement fund established under IC 6-1.1-21. The auditor of state and the treasurer

of state shall transfer the amount so appropriated from the fund to the property tax replacement fund during the immediately following state fiscal year.

(b) If an appropriation is made out of the fund under section 4 of this chapter for a state fiscal year during which a transfer is to be made from the fund to the property tax replacement fund, the amount of the appropriation made under subsection (a) shall be reduced by the amount of the appropriation made under section 4 of this chapter. However, the amount of the appropriation made under subsection (a) may not be reduced to less than zero (0).

SECTION 6. IC 4-10-18-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 9. If the total state general fund revenues for a state fiscal year, in which a transfer into the fund is made, are less than the level estimated in the budget report prepared in accord with IC 4-12-1-12(a) or (c) and the shortfall cannot be attributed to a statutory change in the tax rate, the tax base, the fee schedules, or the revenue sources from which the general fund revenue estimate was made, there is appropriated from the fund to the state general fund an amount that may not exceed the lesser of the following two (2) amounts:

(1) the amount that was transferred into the fund during that state fiscal year; or

(2) the amount necessary to balance the general fund general operating budget **and the noncapital budget payable from the property tax replacement fund** for that state fiscal year.

SECTION 7. IC 4-10-21-0.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: **Sec. 0.5. As used in this chapter, "general expenditures" refers to an expenditure from the state general fund or the property tax replacement fund that is authorized by a general appropriation subject to IC 2-2.1-4, other than any part of an appropriation excluded under IC 2-2.1-4-5.**

SECTION 8. IC 4-10-21-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. As used in this chapter, "state spending cap" refers:

(1) for state fiscal years ending before July 1, 2007, to the state spending cap determined under section 2 of this chapter; **and**

(2) for state fiscal years beginning after June 30, 2007, to the maximum amount that may be appropriated for general appropriations in a state fiscal year under IC 2-2.1-4.

SECTION 9. IC 4-10-21-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. ~~(a) For the state fiscal year beginning July 1, 2003, and ending June 30, 2004, the state spending cap is equal to the result determined under STEP THREE of the following formula:~~

~~STEP ONE: Determine the sum of the total of the appropriations made from the state general fund and the property tax replacement fund (including continuing appropriations) for the state fiscal year beginning July 1, 2002, and ending June 30, 2003.~~

~~STEP TWO: Subtract from the STEP ONE result two hundred forty-three million dollars ($243,000,000), which is the amount of certain reversions made by state agencies.~~

~~STEP THREE: Multiply the STEP TWO result by one and thirty-five thousandths (1.035).~~

~~(b) For the state fiscal year beginning July 1, 2004, and ending June 30, 2005, the state spending cap is equal to the product of the result determined under subsection (a) multiplied by one and thirty-five thousandths (1.035).~~

~~(c)~~ **(a)** The state spending cap for a state fiscal year beginning after June 30, 2005, is equal to the product of the state spending growth quotient for the state fiscal year determined under section 3 of this chapter multiplied by the state spending cap for the immediately preceding state fiscal year.

~~(d)~~ **(b)** The state spending cap imposed under this section is increased in the initial state fiscal year in which the state receives additional revenue for deposit in the state general fund or property tax replacement fund as a result of the enactment of a law that:

(1) establishes a new tax or fee after June 30, 2002;

(2) increases the rate of a previously enacted tax or fee after June 30, 2002; or

(3) reduces or eliminates an exemption, a deduction, or a credit against a previously enacted tax or fee after June 30, 2002.

The amount of the increase is equal to the average revenue that the budget agency estimates will be raised by the legislative action in the initial two (2) full state fiscal years in which the legislative change is in effect.

~~(e)~~ **(c)** The state spending cap imposed under this section is decreased in the initial state fiscal year in which the state is affected by a decrease in revenue deposited in the state general fund or property tax replacement fund as the result of the enactment of a law that:

(1) eliminates a tax or fee after June 30, 2002;

(2) eliminates any part of a tax rate or fee after June 30, 2002; or

(3) establishes or increases an exemption, a deduction, or a credit against a tax or fee after June 30, 2002.

The amount of the decrease is equal to the average revenue that the budget agency estimates will be lost as a result of the legislative action in the initial two (2) full state fiscal years in which the legislative change is in effect.

(d) This section expires July 1, 2007.

SECTION 10. IC 4-10-21-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. (a) The maximum total amount that may be expended in a state fiscal year from the state general fund, the property tax replacement fund, and the counter-cyclical revenue and economic stabilization fund is the least of the following:

(1) Subject to sections 6 and 7 of this chapter, the state spending cap for the state fiscal year.

(2) The amount appropriated by the general assembly from the state general fund, the property tax replacement fund, and the counter-cyclical revenue and economic stabilization fund.

(3) The amount of money available in the state general fund, the property tax replacement fund, and the counter-cyclical revenue and economic stabilization fund to pay expenditures.

(b) Subject to sections 6 and 7 of this chapter, if the state spending cap for the state fiscal year is less than the amount appropriated by the general assembly in the state fiscal year from the state general fund, the property tax replacement fund, and the counter-cyclical revenue and economic stabilization fund, the budget agency shall reduce the amounts available for expenditure from the state general fund, the property tax replacement fund, and the counter-cyclical revenue and economic stabilization fund in the state fiscal year by using the procedures in IC 4-13-2-18.

(c) This section expires July 1, 2007.

SECTION 11. IC 4-10-21-5.1 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: **Sec. 5.1. (a) After June 30, 2007, the maximum total amount that may be expended for general expenditures in a state fiscal year may not exceed the maximum allowable expenditure imposed under this chapter and the maximum allowable appropriation under IC 2-2.1-4.**

(b) If the state spending cap for the state fiscal year is less than the amount appropriated by the general assembly for general expenditures in the state fiscal year, when all open ended appropriations and nonspecific descriptive appropriations are considered, the budget agency shall reduce the amounts available for general expenditures to avoid a total amount of general expenditures that exceeds the state spending cap by using the procedures set forth in IC 4-13-2-18.

SECTION 12. IC 4-10-21-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6. **(a)** The following expenditures that would otherwise be subject to this chapter shall be excluded from all computations and determinations related to a state spending cap:

(1) Expenditures derived from money deposited in the state general fund, the property tax replacement fund, and the counter-cyclical revenue and economic stabilization fund from any of the following:

(A) Gifts.

(B) Federal funds.

(C) Dedicated funds.

(D) Intergovernmental transfers.

(E) Damage awards.
(F) Property sales.
(2) Expenditures for any of the following:
(A) Transfers of money among the state general fund, the property tax replacement fund, and the counter-cyclical revenue and economic stabilization fund.
(B) Reserve fund deposits.
(C) Refunds of intergovernmental transfers.
(D) Payment of judgments against the state and settlement payments made to avoid a judgment against the state, other than a judgment or settlement payment for failure to pay a contractual obligation or a personnel expenditure.
(E) Distributions or allocations of state tax revenues to a unit of local government under IC 36-7-13, IC 36-7-26, IC 36-7-27, IC 36-7-31, or IC 36-7-31.3.
(F) Motor vehicle excise tax replacement payments that are derived from amounts transferred to the state general fund from the lottery and gaming surplus account of the build Indiana fund.
(G) Distributions of state tax revenues collected under IC 7.1 that are payable to cities and towns.

(b) This section expires July 1, 2007.

SECTION 13. IC 4-10-21-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7. (a) An appropriation otherwise subject to the state spending cap limitation imposed by section 5 of this chapter shall be treated as exempt from the state spending cap limitation only if the general assembly specifically exempts the appropriation from the state spending cap in clear and unambiguous language contained in the bill making the appropriation.

(b) The following language shall be treated as meeting the requirements of subsection (a):

"The general assembly waives the state spending cap limitation imposed by IC 4-10-21-5 for the state fiscal year beginning July 1, (insert the applicable year), and ending June 30, (insert the applicable year), for the following appropriation: (insert the language of the appropriation). Notwithstanding IC 4-10-21-5(a)(1), the budget agency may allot appropriations for the appropriation without making any reduction under IC 4-10-21-5(b).".

(c) Language in a bill such as "Notwithstanding IC 4-10-21" or "IC 4-10-21 does not apply to this appropriation" shall not be treated as meeting the requirements of subsection (a). The budget agency may consider the language described in this subsection or other language that does not meet the requirements of subsection (a) only in determining which appropriations to make available for expenditure under section 5(b) of this chapter.

(d) This section expires July 1, 2007.

SECTION 14. IC 4-10-21-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 8. **(a)** Not earlier than December 1 and not later than the first session day of the general assembly after December 31 of each even-numbered year, the budget agency shall submit a report in an electronic format under IC 5-14-6 to the executive director of the legislative services agency that includes at least the following information:

(1) The state spending cap for each of the state fiscal years in the immediately following biennial budget period.
(2) The supporting data and calculations necessary for a person to independently verify the manner in which the state spending caps described in subdivision (1) were determined.

(b) This section expires July 1, 2007.

SECTION 15. IC 4-12-1-8.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: **Sec. 8.5. (a) The statement required under section 9 of this chapter in the second part of a budget report (proposed anticipated income) must be based on a forecast that presents, to the best of the budget director's knowledge and belief, the expected income that will be available to meet the appropriations in:**

(1) each state fiscal year in the budget period for which the budget report is prepared; and
(2) each calendar year containing any part of the budget period.

(b) The forecast prepared under this section shall be updated at least semiannually. During odd-numbered years, the forecast prepared under subsection (a) shall be updated before the last regular business day immediately preceding April 11 in the year.

(c) A forecast prepared under this section shall be expressed in specific monetary amounts as a single point estimate of forecasted income. The forecast must contain the information necessary to compute the expenditure limitations in IC 2-2.1-4. Due professional care must be used in preparing the forecast. The underlying assumptions used must provide a reasonably objective basis for the forecast and be appropriate for the circumstances. Significant underlying assumptions must be disclosed in the forecast report.

(d) The budget director shall submit a forecast prepared under this section, including each updated version of the forecast, in an electronic format under IC 5-14-6 to the executive director of the legislative services agency not later than two (2) regular business days after a forecast is completed.".

Page 1, line 1, after "4-33-12-6" insert ", AS AMENDED BY P.L.4-2005, SECTION 23,".

Page 4, line 31, delete "department of commerce" and insert "Indiana economic development corporation".

Page 4, line 32, delete "department" and insert "corporation".

Page 5, line 7, delete "department." and insert "Indiana economic development corporation.".

Page 11, delete lines 15 through 42, begin a new paragraph and insert:

"SECTION 4. IC 5-3-1-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. (a) Within sixty (60) days after the expiration of each calendar year, the fiscal officer of each civil city and town in Indiana shall publish an annual report of the receipts and expenditures of the city or town during the preceding calendar year.

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

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

(1) Actual receipts and expenditures by major accounts as compared to the budget advertised under IC 6-1.1-17-3 for the prior calendar year.
(2) The salary schedule for all certificated employees (as defined in IC 20-7.5-1-2) as of June 30, with the number of employees at each salary increment. However, the listing of salaries of individual teachers is not required.
(3) The extracurricular salary schedule as of June 30.
(4) The range of rates of pay for all noncertificated employees by specific classification.
(5) The number of employees who are full-time certificated, part-time certificated, full-time noncertificated, and part-time noncertificated.
(6) The lowest, highest, and average salary for the administrative staff and the number of administrators without a listing of the names of particular administrators.
(7) The number of students enrolled at each grade level and the total enrollment.
(8) The assessed valuation of the school corporation for the prior and current calendar year.
(9) The tax rate for each fund for the prior and current calendar year.
(10) In the general fund, capital projects fund, and transportation fund, a report of the total payment made to each vendor for the specific fund in excess of two thousand five hundred dollars ($2,500) during the prior calendar year. However, a school corporation is not required to include more than two hundred (200) vendors whose total payment to each vendor was in excess of two thousand five hundred dollars ($2,500). A school corporation shall list the vendors in descending order from the vendor with the highest total payment to the vendor with the lowest total payment above the minimum listed in this subdivision.
(11) A statement providing that the contracts, vouchers, and bills for all payments made by the school corporation are in its

possession and open to public inspection.

(12) The total indebtedness as of the end of the prior calendar year showing the total amount of notes, bonds, certificates, claims due, total amount due from such corporation for public improvement assessments or intersections of streets, and any and all other evidences of indebtedness outstanding and unpaid at the close of the prior calendar year. **The school corporation must publish information under this subsection that is consistent with the information reported to the department of local government finance under IC 5-1-18.**

(d) The school corporation may provide an interpretation or explanation of the information included in the financial report.

(e) The department of education shall do the following:

(1) Develop guidelines for the preparation and form of the financial report.

(2) Provide information to assist school corporations in the preparation of the financial report.

(f) The annual reports required by this section and IC 36-2-2-19 and the abstract required by IC 36-6-4-13 shall each be published one (1) time only, in accordance with this chapter.

(g) Each school corporation shall submit to the department of education a copy of the financial report required under this section. The department of education shall make the financial reports available for public inspection.

SECTION 5. IC 6-1.1-4-4.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4.5. (a) The department of local government finance shall adopt rules establishing a system for annually adjusting the assessed value of real property to account for changes in value in those years since a general reassessment of property last took effect.

(b) The system must be applied to adjust assessed values beginning with the ~~2005~~ **2006** assessment date and each year thereafter that is not a year in which a reassessment becomes effective.

(c) The system must have the following characteristics:

(1) Promote uniform and equal assessment of real property within and across classifications.

(2) Apply all objectively verifiable factors used in mass valuation techniques that are reasonably expected to affect the value of real property in Indiana.

(3) Prescribe as many adjustment percentages and whatever categories of percentages the department of local government finance finds necessary to achieve objectively verifiable updated just valuations of real property. An adjustment percentage for a particular classification may be positive or negative.

(4) Prescribe procedures, including computer software programs, that permit the application of the adjustment percentages in an efficient manner by assessing officials.".

Delete page 12, begin a new paragraph and insert:

"SECTION 6. IC 6-1.1-5-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 7. (a) A person to whom the title to real property has passed, either under the laws of descent of this state or by virtue of the last will of a decedent, may procure a transfer of the real property on the tax duplicate on which the real property is assessed and taxed. In order to procure the transfer, the person must prepare an affidavit and, except as provided in section 9 of this chapter, file it with the auditor of the county in which the real property is situated. The affidavit shall contain the following information:

(1) The decedent's date of death.

(2) Whether the decedent died testate or intestate. ~~and~~

(3) The affiant's interest in the real property.

(4) If the real property is residential property, the amount of any taxes that have been deferred under IC 6-1.1-45.

In addition, if the decedent died testate, the affiant must attach a certified copy of the decedent's will to the affidavit. However, if the will has been probated or recorded in the county in which the real property is located, the affiant, in lieu of attaching a certified copy of the will, shall state that fact in the affidavit and indicate the volume and page of the record where the will may be found.

(b) Except as provided in section 9 of this chapter, the county auditor shall enter a transfer of the real property in the proper transfer book after the affidavit is filed with ~~his~~ **the county auditor's** office.

(c) No transfer made under this section has the effect of conferring title upon the person procuring the transfer.

(d) Before the county auditor may transfer real property described in subsection (a) on the last assessment list or apportion the assessed value of the real property among the owners, the owner must pay or otherwise satisfy all taxes on the parcels being transferred that have become due under IC 6-1.1-45 as a result of the death of the person by paying the property tax to the county treasurer of the county in which the real property is located.

(e) If a county auditor transfers real property in the proper transfer book in violation of subsection (d):

(1) a lien for and the duty to pay property taxes that are due and owing are not released or otherwise extinguished; and

(2) property taxes that are due and owing on the affected parcel of property may be collected as if the county auditor had not transferred the property in the proper transfer book in violation of subsection (d).

SECTION 7. IC 6-1.1-5.5-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. The department of local government finance shall prescribe a sales disclosure form for use under this chapter. The form prescribed by the department of local government finance must include at least the following information:

(1) The key number of the parcel (as defined in IC 6-1.1-1-8.5).

(2) Whether the entire parcel is being conveyed.

(3) The address of the property.

(4) The date of the execution of the form.

(5) The date the property was transferred.

(6) Whether the transfer includes an interest in land or improvements, or both.

(7) Whether the transfer includes personal property.

(8) An estimate of any personal property included in the transfer.

(9) The name and address of each transferor and transferee.

(10) The mailing address to which the property tax bills or other official correspondence should be sent.

(11) The ownership interest transferred.

(12) The classification of the property (as residential, commercial, industrial, agricultural, vacant land, or other).

(13) The total price actually paid or required to be paid in exchange for the conveyance, whether in terms of money, property, a service, an agreement, or other consideration, but excluding tax payments and payments for legal and other services that are incidental to the conveyance.

(14) The terms of seller provided financing, such as interest rate, points, type of loan, amount of loan, and amortization period, and whether the borrower is personally liable for repayment of the loan.

(15) Any family or business relationship existing between the transferor and the transferee.

(16) If the transferred property is residential property, the amount of any taxes deferred under IC 6-1.1-45 and interest due on the deferred taxes.

~~(16)~~ **(17)** Other information as required by the department of local government finance to carry out this chapter.

If a form under this section includes the telephone number or the Social Security number of a party, the telephone number or the Social Security number is confidential.".

Page 26, line 8, after "by the" insert "county assessor or elected township assessor.".

Page 26, delete lines 9 through 11.

Page 26, line 36, after "of" insert "appeals but only upon request by the county assessor or elected township assessor.".

Page 26, delete lines 37 through 40.

Page 28, between lines 6 and 7, begin a new paragraph and insert:

"SECTION 14. IC 6-1.1-18-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 11. ~~If there is a conflict between the provisions of this chapter and the provisions of IC 6-1.1-19 or IC 6-1.1-18.5, the provisions of the latter two (2) chapters~~ **(a) Except as provided in subsection (b), the provisions of IC 6-1.1-19 or IC 6-1.1-18.5** control **if there is a conflict between the provisions of this chapter and the provisions of**

IC 6-1.1-19 or IC 6-1.1-18.5 with respect to the adoption of, review of, and limitations on budgets, tax rates, and tax levies.

(b) Notwithstanding the maximum permissible ad valorem property tax levy calculated for a civil taxing unit under IC 6-1.1-18.5-3, a civil taxing unit may not increase its ad valorem property tax levy for a particular year by more than one-third (1/3) of the civil taxing unit's unused maximum levy capacity determined under IC 6-1.1-18.5-3.

SECTION 15. IC 6-1.1-18.5-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 1. As used in this chapter:

"Ad valorem property tax levy for an ensuing calendar year" means the total property taxes imposed by a civil taxing unit for current property taxes collectible in that ensuing calendar year.

"Adopting county" means any county in which the county adjusted gross income tax is in effect.

"Civil taxing unit" means any taxing unit except a school corporation.

"Maximum permissible ad valorem property tax levy for the preceding calendar year" means **either of the following:**

(1) In the case of a civil taxing unit that does not adopt a resolution or an ordinance to restore unused maximum levy capacity for property taxes first due and payable in 2006, the civil taxing unit's ad valorem property tax levy for the calendar year immediately preceding the ensuing calendar year, as that levy was determined by the department of local government finance in fixing the civil taxing unit's budget, levy, and rate for that preceding calendar year under IC 6-1.1-17, and after eliminating the effects of temporary excessive levy appeals and temporary adjustments made to the working maximum levy for the calendar year immediately preceding the ensuing calendar year, as determined by the department of local government finance.

(2) In the case of a civil taxing unit that adopts a resolution or an ordinance to restore maximum levy capacity for property taxes first due and payable in 2006, the sum of the following:

(A) The civil taxing unit's ad valorem property tax levy for the calendar year immediately preceding the ensuing calendar year, as that levy was determined by the department of local government finance in fixing the civil taxing unit's budget, levy, and rate for that preceding calendar year under IC 6-1.1-17, and after eliminating the effects of temporary excessive levy appeals and temporary adjustments made to the working maximum levy for the calendar year immediately preceding the ensuing calendar year, as determined by the department of local government finance.

(B) The amount of the civil taxing unit's unused levy capacity restored for property taxes first due and payable in 2006.

"Taxable property" means all tangible property that is subject to the tax imposed by this article and is not exempt from the tax under IC 6-1.1-10 or any other law. For purposes of sections 2 and 3 of this chapter, the term "taxable property" is further defined in section 6 of this chapter.

"Unadjusted assessed value" means the assessed value of a civil taxing unit as determined by local assessing officials and the department of local government finance in a particular calendar year before the application of an annual adjustment under IC 6-1.1-4-4.5 for that particular calendar year or any calendar year since the last general reassessment preceding the particular calendar year.".

Page 28, line 19, delete "taxes, the county adjusted gross income tax" and insert "**taxes.**".

Page 28, delete lines 20 through 22.

Page 28, line 23, delete "a lease payable from ad valorem property taxes, the" and insert "**The**".

Page 28, line 33, delete "or the department of state revenue, or both,".

Page 28, line 35, delete ",".

Page 28, line 36, delete "the department of state revenue, and other state agencies".

Page 28, line 40, delete "rate or the rate of an income tax imposed" and insert "**rate.**".

Page 28, delete line 41.

Page 29, line 34, delete "or on the rate of an income tax".

Page 29, delete line 35.

Page 29, line 36, delete "or IC 6-3.5-7".

Page 30, between lines 41 and 42, begin a new paragraph and insert:

"SECTION 15. IC 6-1.1-18.5-17 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 17. (a) **Except as provided in subsection (i),** as used in this section, "levy excess" means the part of the ad valorem property tax levy actually collected by a civil taxing unit, for taxes first due and payable during a particular calendar year, that exceeds the civil taxing unit's ad valorem property tax levy, as approved by the department of local government finance under IC 6-1.1-17.

(b) A civil taxing unit's levy excess is valid and may not be contested on the grounds that it exceeds the civil taxing unit's levy limit for the applicable calendar year. However, the civil taxing unit shall deposit, except as provided in subsection (h), its levy excess in a special fund to be known as the civil taxing unit's levy excess fund.

(c) The chief fiscal officer of a civil taxing unit may invest money in the civil taxing unit's levy excess fund in the same manner in which money in the civil taxing unit's general fund may be invested. However, any income derived from investment of the money shall be deposited in and becomes a part of the levy excess fund.

(d) The department of local government finance shall require a civil taxing unit to include the amount in its levy excess fund in the civil taxing unit's budget fixed under IC 6-1.1-17.

(e) Except as provided by subsection (f), a civil taxing unit may not spend any money in its levy excess fund until the expenditure of the money has been included in a budget that has been approved by the department of local government finance under IC 6-1.1-17. For purposes of fixing its budget and for purposes of the ad valorem property tax levy limits imposed under this chapter, a civil taxing unit shall treat the money in its levy excess fund that the department of local government finance permits it to spend during a particular calendar year as part of its ad valorem property tax levy for that same calendar year.

(f) A civil taxing unit may transfer money from its levy excess fund to its other funds to reimburse those funds for amounts withheld from the civil taxing unit as a result of refunds paid under IC 6-1.1-26.

(g) Subject to the limitations imposed by this section, a civil taxing unit may use money in its levy excess fund for any lawful purpose for which money in any of its other funds may be used.

(h) If the amount that would, notwithstanding this subsection, be deposited in the levy excess fund of a civil taxing unit for a particular calendar year is less than one hundred dollars ($100), no money shall be deposited in the levy excess fund of the unit for that year.

(i) A levy excess does not include delinquent taxes actually collected in the current year by a civil taxing unit that were first due and payable in a calendar year after 2003.

SECTION 16. IC 6-1.1-19-1.7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1.7. (a) **Except as provided in subsection (i),** as used in this section, "levy excess" means that portion of the ad valorem property tax levy actually collected by a school corporation, for taxes first due and payable during a particular calendar year, which exceeds the school corporation's total levy, as approved by the department of local government finance under IC 6-1.1-17, for those property taxes.

(b) A school corporation's levy excess is valid, and the general fund portion of a school corporation's levy excess may not be contested on the grounds that it exceeds the school corporation's general fund levy limit for the applicable calendar year. However, the school corporation shall deposit, except as provided in subsection (h), its levy excess in a special fund to be known as the school corporation's levy excess fund.

(c) The chief fiscal officer of a school corporation may invest money in the school corporation's levy excess fund in the same manner in which money in the school corporation's general fund may be invested. However, any income derived from investment of the money shall be deposited in and become a part of the levy excess fund.

(d) The department of local government finance shall require a

school corporation to include the amount in the school corporation's levy excess fund in the school corporation's budget fixed under IC 6-1.1-17.

(e) Except as provided in subsection (f), a school corporation may not spend any money in its levy excess fund until the expenditure of the money has been included in a budget that has been approved by the department of local government finance under IC 6-1.1-17. For purposes of fixing its budget and for purposes of the ad valorem property tax levy limits fixed under this chapter, a school corporation shall treat the money in its levy excess fund that the department of local government finance permits the school corporation to spend during a particular calendar year as part of the school corporation's ad valorem property tax levy for that same calendar year.

(f) A school corporation may transfer money from its levy excess fund to its other funds to reimburse those funds for amounts withheld from the school corporation as a result of refunds paid under IC 6-1.1-26.

(g) Subject to the limitations imposed by this section, a school corporation may use money in its levy excess fund for any lawful purpose for which money in any of its other funds may be used.

(h) If the amount that would be deposited in the levy excess fund of a school corporation for a particular calendar year is less than one hundred dollars ($100), no money shall be deposited in the levy excess fund of the school corporation for that year.

(i) A levy excess does not include delinquent taxes actually collected in the current year by a school corporation that were first due and payable in a calendar year after 2003.".

Page 33, delete lines 29 through 42.

Delete pages 34 through 35.

Page 36, delete lines 1 through 10.

Page 36, line 14, delete "Property Tax Credits" and insert "**Credit for Excessive Homestead Property Taxes**".

Page 36, delete lines 15 through 42, begin a new paragraph and insert:

"**Sec. 1. As used in this chapter:**

(1) "homestead" has the meaning set forth in IC 6-1.1-20.9-1; and

(2) "property tax liability" means liability for the tax imposed on property under this article determined after application of all credits and deductions under this article, except the credit under this chapter, but does not include any interest or penalty imposed under this article.

Sec. 2. A county fiscal body:

(1) may adopt an ordinance to authorize the application of the credit under this chapter for one (1) or more calendar years to homesteads in the county; and

(2) must adopt an ordinance under subdivision (1) before July 1 of a calendar year to authorize the credit under this chapter for property taxes first due and payable in the immediately succeeding calendar year.

Sec. 3. If the credit under this chapter is authorized under section 2 of this chapter for property taxes first due and payable in a calendar year:

(1) a person is entitled to a credit against the person's property tax liability for property taxes first due and payable in that calendar year attributable to the person's homestead located in the county; and

(2) the amount of the credit is the amount by which the person's property tax liability attributable to the person's homestead for property taxes first due and payable in that calendar year exceeds two percent (2%) of the gross assessed value that is the basis for determination of property taxes on the homestead for property taxes first due and payable in that calendar year.

Sec. 4. A person is not required to file an application for the credit under this chapter. The county auditor shall:

(1) identify homesteads in the county eligible for the credit under this chapter; and

(2) apply the credit under this chapter to property tax liability on the identified homesteads.

Sec. 5. (a) The fiscal body of a county may adopt an ordinance to authorize the county fiscal officer to borrow money repayable over a term not to exceed five (5) years in an amount sufficient to compensate the political subdivisions located wholly or in part in the county for the reduction of property tax collections in a calendar year that results from the application of the credit under this chapter for that calendar year.

(b) The county fiscal officer shall distribute in a calendar year to each political subdivision located wholly or in part in the county loan proceeds under subsection (a) for that calendar year in the amount by which the property tax collections of the political subdivision in that calendar year are reduced as a result of the application of the credit under this chapter for that calendar year.

(c) If the county fiscal officer distributes money to political subdivisions under subsection (b), the political subdivisions that receive the distributions shall repay the loan under subsection (a) over the term of the loan. Each political subdivision that receives a distribution under subsection (b):

(1) shall:

(A) appropriate for each year in which the loan is to be repaid an amount sufficient to pay the part of the principal and interest on the loan attributable to the distribution received by the political subdivision under subsection (b); and

(B) subject to subsection (d), raise revenue in each year in which the loan is to be repaid in the amount necessary to meet the appropriation under clause (A); and

(2) other than the county, shall transfer to the county fiscal officer money dedicated under this section to repayment of the loan in time to allow the county to meet the loan repayment schedule.

(d) A political subdivision that receives tax revenue under IC 4-33-12-6, IC 4-33-13, or an agreement to share a city's or county's part of the tax revenue must use that source of revenue for the purpose of subsection (c)(1)(B) before raising revenue from another source for that purpose.

(e) Property taxes imposed under subsection (c)(1)(B) are subject to levy limitations under IC 6-1.1-18.5 or IC 6-1.1-19.

(f) The obligation to:

(1) repay; or

(2) contribute to the repayment of;

the loan under subsection (a) is not a basis for a political subdivision to obtain an excessive tax levy under IC 6-1.1-18.5 or IC 6-1.1-19.

(g) The application of the credit under this chapter results in a reduction of the property tax collections of each political subdivision in which the credit is applied. A political subdivision may not increase its property tax levy to make up for that reduction.".

Delete page 37.

Page 38, delete lines 1 through 18, begin a new paragraph and insert:

"SECTION 19. IC 6-1.1-22-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. On or before March 15 of each year, the county auditor shall prepare and deliver to the auditor of state and the county treasurer a certified copy of an abstract of the property, assessments, taxes, deductions, and exemptions for taxes payable in that year in each taxing district of the county. The county auditor shall prepare the abstract in such a manner that the information concerning property tax deductions reflects the total amount of each type of deduction. The abstract shall also contain a statement of the taxes and penalties unpaid in each taxing unit **and the amount of taxes deferred under IC 6-1.1-45** at the time of the last settlement between the county auditor and county treasurer and the status of these delinquencies **and deferred taxes.** The county auditor shall prepare the abstract on the form prescribed by the state board of accounts. The **offices of the** auditor of state, county auditor, and county treasurer shall each keep a copy of the abstract ~~in his office~~ as a public record.

SECTION 20. IC 6-1.1-22-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 6. The county treasurer shall keep a register of taxes and special assessments in the manner and on the form prescribed by the state board of accounts. ~~He~~ **The county treasurer** shall enter:

(1) each payment of the taxes and special assessments in the

register on the day the payment is received; **and**

(2) each deferral of the payment of property taxes in the register on the day the taxes would otherwise be due if the taxes had not been deferred under IC 6-1.1-45.

SECTION 21. IC 6-1.1-22-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 8. (a) The county treasurer shall either:

(1) mail to the last known address of each person liable for any property taxes or special assessment, as shown on the tax duplicate or special assessment records, or to the last known address of the most recent owner shown in the transfer book a statement of current and delinquent taxes and special assessments; or

(2) transmit by written, electronic, or other means to a mortgagee maintaining an escrow account for a person who is liable for any property taxes or special assessments, as shown on the tax duplicate or special assessment records a statement of current and delinquent taxes and special assessments.

(b) The county treasurer may include the following in the statement:

(1) An itemized listing for each property tax levy, including:

(A) the amount of the tax rate;

(B) the entity levying the tax owed; and

(C) the dollar amount of the tax owed.

(2) Information designed to inform the taxpayer or mortgagee clearly and accurately of the manner in which the taxes billed in the tax statement are to be used.

A form used and the method by which the statement and information, if any, are transmitted must be approved by the state board of accounts. The county treasurer may mail or transmit the statement and information, if any, one (1) time each year at least fifteen (15) days before the date on which the first or only installment is due. Whenever a person's tax liability for a year is due in one (1) installment under IC 6-1.1-7-7 or section 9 of this chapter, a statement that is mailed must include the date on which the installment is due and denote the amount of money to be paid for the installment. Whenever a person's tax liability is due in two (2) installments, a statement that is mailed must contain the dates on which the first and second installments are due and denote the amount of money to be paid for each installment.

(c) All payments of property taxes and special assessments shall be made to the county treasurer. The county treasurer, when authorized by the board of county commissioners, may open temporary offices for the collection of taxes in cities and towns in the county other than the county seat.

(d) Before July 1, 2004, the department of local government finance shall designate five (5) counties to participate in a pilot program to implement the requirements of subsection (e). The department shall immediately notify the county treasurer, county auditor, and county assessor in writing of the designation under this subsection. The legislative body of a county not designated for participation in the pilot program may adopt an ordinance to implement the requirements of subsection (e). The legislative body shall submit a copy of the ordinance to the department of local government finance, which shall monitor the county's implementation of the requirements of subsection (e) as if the county were a participant in the pilot program. The requirements of subsection (e) apply:

(1) only in:

(A) a county designated to participate in a pilot program under this subsection, for property taxes first due and payable after December 31, 2004, and before January 1, 2008; or

(B) a county adopting an ordinance under this subsection, for property taxes first due and payable after December 31, 2003, or December 31, 2004 (as determined in the ordinance), and before January 1, 2008; and

(2) in all counties for taxes first due and payable after December 31, 2007.

(e) Subject to subsection (d), regardless of whether a county treasurer transmits a statement of current and delinquent taxes and special assessments to a person liable for the taxes under subsection (a)(1) or to a mortgagee under subsection (a)(2), the county treasurer shall mail the following information to the last known address of each person liable for the property taxes or special assessments or to the last known address of the most recent owner shown in the transfer book. The county treasurer shall mail the information not later than the date the county treasurer transmits a statement for the property under subsection (a)(1) or (a)(2). The county treasurer, county auditor, and county assessor shall cooperate to generate the information to be included on the form. The information that must be provided is the following:

(1) A breakdown showing the total property tax and special assessment liability and the amount of the taxpayer's liability that will be distributed to each taxing unit in the county.

(2) A comparison showing any change in the assessed valuation for the property as compared to the previous year.

(3) A comparison showing any change in the property tax and special assessment liability for the property as compared to the previous year. The information required under this subdivision must identify:

(A) the amount of the taxpayer's liability distributable to each taxing unit in which the property is located in the current year and in the previous year; and

(B) the percentage change, if any, in the amount of the taxpayer's liability distributable to each taxing unit in which the property is located from the previous year to the current year.

(4) An explanation of the following:

(A) The homestead credit and all property tax deductions.

(B) The procedure and deadline for filing for the homestead credit and each deduction.

(C) The procedure that a taxpayer must follow to:

(i) appeal a current assessment; or

(ii) petition for the correction of an error related to the taxpayer's property tax and special assessment liability.

(D) The forms that must be filed for an appeal or petition described in clause (C).

The department of local government finance shall provide the explanation required by this subdivision to each county treasurer.

(5) A checklist that shows:

(A) the homestead credit and all property tax deductions; and

(B) whether the homestead credit and each property tax deduction applies in the current statement for the property transmitted under subsection (a)(1) or (a)(2).

(f) The information required to be mailed under subsection (e) must be simply and clearly presented and understandable to the average individual.

(g) A county that incurs:

(1) initial computer programming costs directly related to implementation of the requirements of subsection (e); or

(2) printing costs directly related to mailing information under subsection (e);

shall submit an itemized statement of the costs to the department of local government finance for reimbursement from the state. The treasurer of state shall pay a claim approved by the department of local government finance and submitted under this section on a warrant of the auditor of state. However, the treasurer of state may not pay any additional claims under this subsection after the total amount of claims paid reaches fifty thousand dollars ($50,000).

(h) The county treasurer shall include the following in a statement concerning residential real property (other than property known by the county treasurer to be rental property) that is distributed under subsection (a) after May 15, 2005:

(1) A brief description of the availability of the property tax deferral program under IC 6-1.1-45.

(2) If the property has been approved for the deferral of property taxes:

(A) the minimum required payment that must be made on each installment due date to maintain eligibility for the deferral of property taxes under IC 6-1.1-45;

(B) a separate statement of the amount of property taxes that would otherwise be due and payable by each installment date that may be deferred under IC 6-1.1-45;

(C) the control number assigned under IC 6-1.1-45 to the

application for deferral that is in effect;

(D) the cumulative total of the property taxes deferred under IC 6-1.1-45 in the current year and all prior years, if the amount is greater than zero dollars ($0); and

(E) the cumulative total of interest accruing on property taxes deferred under IC 6-1.1-45, if the amount is greater than zero dollars ($0).

The information provided under this subsection must be in the form prescribed by the department of local government finance.

SECTION 22. IC 6-1.1-22-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 9. (a) Except as provided in IC 6-1.1-7-7, **IC 6-1.1-45,** section 9.5 of this chapter, and subsection (b), the property taxes assessed for a year under this article are due in two (2) equal installments on May 10 and November 10 of the following year.

(b) A county council may adopt an ordinance to require a person to pay the person's property tax liability in one (1) installment, if the tax liability for a particular year is less than twenty-five dollars ($25). If the county council has adopted such an ordinance, then whenever a tax statement mailed under section 8 of this chapter shows that the person's property tax liability for a year is less than twenty-five dollars ($25) for the property covered by that statement, the tax liability for that year is due in one (1) installment on May 10 of that year.

(c) If property taxes are not paid on or before the due date, the penalties prescribed in IC 6-1.1-37-10 shall be added to the delinquent taxes.

(d) Notwithstanding any other law, a property tax liability of less than five dollars ($5) is increased to five dollars ($5). The difference between the actual liability and the five dollar ($5) amount that appears on the statement is a statement processing charge. The statement processing charge is considered a part of the tax liability.

SECTION 23. IC 6-1.1-22-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 10. (a) A person who is liable for property taxes under IC 6-1.1-2-4, **including property taxes deferred under IC 6-1.1-45 after the deferred taxes become due,** is personally liable for the taxes and all penalties, cost, and collection expenses, including reasonable attorney's fees and court costs, resulting from late payment of the taxes.

(b) A person's liability under this section may be enforced by any legal remedy, including a civil lawsuit instituted by a county treasurer or a county executive to collect delinquent taxes. One (1) action may be initiated to collect all taxes, penalties, cost, and collection expenses levied against a person in the same county for one (1) or more years. However, an action may not be initiated to enforce the collection of taxes after ten (10) years from the first Monday in May of the year in which the taxes first became due. An action initiated within the ten (10) year period may be prosecuted to termination.

(c) In addition to any other method of collection authorized under this article, the department of state revenue may collect:

(1) property taxes deferred under IC 6-1.1-45, after the deferred taxes become due; and

(2) all interest, penalties, costs, and collection expenses, including reasonable attorney's fees and court costs accruing under this article, after the deferred taxes become due under IC 6-1.1-45;

as a listed tax.

SECTION 24. IC 6-1.1-22-13 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 13. (a) The state acquires a lien on each tract of real property for all property taxes levied against the tract, including the land under an improvement or appurtenance described in IC 6-1.1-2-4(b), and all subsequent penalties and cost resulting from the taxes. This lien attaches on the assessment date of the year for which the taxes are assessed. The lien is not affected by any sale or transfer of the tract, including the land under an improvement or appurtenance described in IC 6-1.1-2-4(b), including the sale, exchange, or lease of the tract under IC 36-1-11.

(b) The lien of the state for taxes, penalties, and cost continues for ten (10) years from May 10 of the year in which the taxes first become due. **For purposes of IC 6-1.1-45, the due date is the date to which property taxes are deferred under IC 6-1.1-45.** However, if any proceeding is instituted to enforce the lien within the ten (10) year period, the limitation is extended, if necessary, to permit the termination of the proceeding.

(c) The lien of the state inures to taxing units which impose the property taxes on which the lien is based, and the lien is superior to all other liens.

(d) A taxing unit described in subsection (c) may institute a civil suit against a person or an entity liable for delinquent property taxes. The taxing unit may, after obtaining a judgment, collect:

(1) delinquent real property taxes;

(2) penalties due to the delinquency; and

(3) costs and expenses incurred in collecting the delinquent property tax, including reasonable attorney's fees and court costs approved by a court with jurisdiction.".

Page 39, between lines 3 and 4, begin a new paragraph and insert:

"SECTION 27. IC 6-1.1-45 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]:

Chapter 45. Property Tax Deferral Program

Sec. 1. This chapter applies to the deferral of property taxes for a qualified resident who for the year containing the assessment date for which property taxes are imposed:

(1) qualifies for a deduction as described in section 5 of this chapter; or

(2) is a qualified surviving spouse.

Sec. 2. As used in this chapter, "base year" refers to the year determined under section 17(d), 18(d), 19(d), or 20(d) of this chapter.

Sec. 3. As used in this chapter, "minimum required payment" means the minimum amount that must be paid in a year to retain eligibility for the deferment of property taxes under this chapter, as determined under section 23 of this chapter.

Sec. 4. As used in this chapter, "property tax" refers to the amount of ad valorem property tax liability that would be first due and payable in a year on a qualified residence without any deferral of the taxes under this chapter. The term does not include the following:

(1) Special assessments chargeable against a qualified residence.

(2) Fees or charges that are included by law on a tax statement issued under IC 6-1.1-22-8 for parcels that include a qualified residence.

Sec. 5. As used in this chapter, "qualified residence" means real property, or a mobile home or manufactured home that is not assessed as real property, that:

(1) qualifies for a deduction under:

(A) IC 6-1.1-12-9; or

(B) IC 6-1.1-12-11; or

(2) would qualify for a deduction referred to in subdivision (1) if the qualified resident filed an application for the deduction.

Sec. 6. As used in this chapter, "qualified resident" means an individual who owns real property or a mobile home or manufactured home that is not assessed as real property, or is buying the real property or mobile home or manufactured home under contract, that qualifies for a deduction under:

(1) IC 6-1.1-12-9; or

(2) IC 6-1.1-12-11;

and who continuously uses the property as the individual's principal place of residence after the individual initially qualifies as a qualified resident.

Sec. 7. As used in this chapter, "qualified surviving spouse" means an individual who:

(1) is the surviving spouse of a qualified resident who was approved under this chapter to defer property taxes for the assessment date immediately preceding the individual's death, regardless of whether the deceased qualified resident elected to defer any property taxes;

(2) on the date that the qualified resident died, had the individual's principal place of residence at the same residence as the deceased qualified resident;

(3) continuously uses the residence as the surviving spouse's principal place of residence after the death of the qualified resident; and

(4) has not remarried.

Sec. 8. As used in this chapter, "taxpayer" means an individual

or entity that is liable for property taxes imposed for a year.

Sec. 9. Beginning with property taxes first due and payable in 2006, a qualified resident may, in conformity with this chapter, defer the due date for any part of the property tax liability imposed in a year that exceeds the minimum required payment.

Sec. 10. To qualify for the deferment of property taxes under this chapter, the taxpayer must do the following:

(1) Apply for deferment of property taxes to the auditor of the county in which the affected qualified residence is located in the manner and on the forms prescribed by the department of local government finance.

(2) Apply for deferment of property taxes not later than the later of the following:

(A) The date when the first installment for property taxes being deferred are first due and payable.

(B) If the county auditor determines that the failure to file a timely application is the result of an inadvertent error, the date specified by the county auditor.

(3) Demonstrate that the qualified residence was the principal place of residence of at least one (1) qualified resident or qualified surviving spouse on the assessment date for which property taxes are being deferred.

(4) Demonstrate that the owners of the qualified residence meet any conditions established by rule adopted by the department of local government finance under IC 4-22-2 that are reasonably necessary to protect the government's interest in recovering taxes deferred under this chapter when the deferred taxes become due.

(5) Demonstrate that there are no delinquent property taxes of record for the qualified residence on the assessment date for which property taxes are being deferred.

Sec. 11. Upon receipt of an application under section 10 of this chapter, the county auditor shall:

(1) notify the county treasurer that the application has been received in the manner and form prescribed by the department of local government finance; and

(2) determine whether the qualified residence qualifies for deferment of property taxes.

Sec. 12. The county auditor shall notify:

(1) the taxpayer in writing;

(2) the county treasurer in the manner and form prescribed by the department of local government finance; and

(3) if the application is approved, the department of local government finance in the manner and form prescribed by the department of local government finance;

of the county auditor's determination concerning the application. The due date for property taxes that are the subject of a good faith application for deferment of property taxes is deferred under the date that the county auditor notifies the taxpayer of the county auditor's determination concerning the application.

Sec. 13. (a) A qualified residence that is approved under this chapter for the deferral of property taxes continues to be eligible for the deferment of property taxes in subsequent years without the refiling of an application under section 10 of this chapter as long as:

(1) the qualified residence continues to be the principal place of residence for a qualified resident identified in the application or the qualified surviving spouse of the qualified resident; and

(2) the minimum required payments for the qualified residence are made by the later of:

(A) the due date; or

(B) if the county auditor determines that a payment was not made for a reason authorized under rules adopted under IC 4-22-2 by the department of local government finance, the date set by the county auditor.

(b) A taxpayer for the qualified residence shall notify in the manner and form prescribed by the department of local government finance the auditor of the county in which the qualified residence is located of any change in ownership of the qualified residence regardless of whether the change affects the eligibility of the qualified residence for deferment under this chapter.

(c) If an event results in:

(1) deferred property taxes becoming due under this chapter; or

(2) ineligibility of the qualified residence for further deferment of property taxes;

a taxpayer for the qualified residence shall, within thirty (30) days after the event, notify the auditor of the county in which the qualified residence is located of the disqualifying event in the manner and form prescribed by the department of local government finance.

(d) The county auditor and county treasurer shall:

(1) allow the deferment of property taxes that would otherwise be first due and payable in a year for a qualified residence that has been approved for deferment under this chapter; and

(2) continue to defer the accumulated amount of unpaid property taxes and interest accruing on property taxes deferred from a preceding year;

unless the county auditor determines that the qualified residence is no longer eligible for deferment.

(e) The county auditor shall notify the:

(1) taxpayer;

(2) county treasurer; and

(3) department of local government finance;

in the manner and form prescribed by the department of local government finance of the county auditor's determination concerning an event described in subsection (c).

Sec. 14. (a) A taxpayer for a qualified residence shall notify the county treasurer of the amount of property taxes that the taxpayer seeks to defer under this chapter in the manner and form prescribed by the department of local government finance.

(b) The department of local government finance shall provide procedures for notification under this section:

(1) on an annual basis; or

(2) on a continuing or multiyear basis;

at the election of the taxpayer. The department of local government finance shall allow a taxpayer to combine a notification of the amount to be deferred with an application filed under section 10 of this chapter. If the notice is combined with an application, the county auditor shall forward the notice to the county treasurer in the manner and form specified by the department of local government finance. The department of local government finance shall allow the taxpayer to designate what percentage of the amount to be deferred will be deferred in each installment due in that year.

(c) To apply to property taxes due in a year, a notice under this section that describes the amount to be deferred in that year must be filed not later than the following:

(1) The date the first installment of the deferred taxes is due.

(2) If the county treasurer determines that the failure to file a timely application is the result of an inadvertent error, the date specified by the county treasurer.

Sec. 15. The county treasurer shall allow the deferment in any particular year of not more than the lesser of the following:

(1) The amount that the taxpayer requests be deferred.

(2) The property tax liability exceeding the minimum required payment.

If the taxpayer designates the percentage of the deferment to apply to an installment date, the county treasurer shall apply the deferment as requested by the taxpayer. Otherwise the county treasurer shall apply the deferment in the manner prescribed by the department of local government finance.

Sec. 16. The county auditor shall calculate the initial year threshold amount for the base year of each qualified residence. In performing the calculation, the addition of a negative number shall be treated as reducing the sum.

Sec. 17. (a) This section applies to a qualified residence if the qualified residence:

(1) was the principal place of residence of an individual that qualifies as a qualified resident on March 1, 2001, or in the case of a mobile home (as defined in IC 6-1.1-7-1), January 15, 2002; and

(2) has continuously served as the principal place of residence of the qualified resident thereafter.

(b) Subject to subsection (c), the initial year threshold amount for the base year for the qualified residence is the amount determined under STEP FOURTEEN of the following formula:

STEP ONE: Determine the result of:

(A) the property tax liability for the qualified residence that is imposed for the assessment date on March 1, 2002, or in the case of a mobile home (as defined in IC 6-1.1-7-1), January 15, 2003; minus

(B) the property tax liability for the qualified residence that is imposed for the assessment date on March 1, 2001, or in the case of a mobile home (as defined in IC 6-1.1-7-1), January 15, 2002.

STEP TWO: Determine the product of:

(A) the property tax liability for the qualified residence that is imposed for the assessment date on March 1, 2001, or in the case of a mobile home (as defined in IC 6-1.1-7-1), January 15, 2002; multiplied by

(B) one and twenty-five hundredths (1.25).

STEP THREE: Determine the lesser of the STEP ONE result or the STEP TWO result.

STEP FOUR: Determine the result of:

(A) the property tax liability for the qualified residence that is imposed for the assessment date on March 1, 2003, or in the case of a mobile home (as defined in IC 6-1.1-7-1), January 15, 2004; minus

(B) the property tax liability for the qualified residence that is imposed for the assessment date on March 1, 2002, or in the case of a mobile home (as defined in IC 6-1.1-7-1), January 15, 2003.

STEP FIVE: Determine the product of:

(A) the property tax liability for the qualified residence that is imposed for the assessment date on March 1, 2002, or in the case of a mobile home (as defined in IC 6-1.1-7-1), January 15, 2003; multiplied by

(B) one and one-tenth (1.1).

STEP SIX: Determine the lesser of the STEP FOUR result or the STEP FIVE result.

STEP SEVEN: Determine the result of:

(A) the property tax liability for the qualified residence that is imposed for the assessment date on March 1, 2004, or in the case of a mobile home (as defined in IC 6-1.1-7-1), January 15, 2005; minus

(B) the property tax liability for the qualified residence that is imposed for the assessment date on March 1, 2003, or in the case of a mobile home (as defined in IC 6-1.1-7-1), January 15, 2004.

STEP EIGHT: Determine the product of:

(A) the property tax liability for the qualified residence that is imposed for the assessment date on March 1, 2003, or in the case of a mobile home (as defined in IC 6-1.1-7-1), January 15, 2004; multiplied by

(B) one and one-tenth (1.1).

STEP NINE: Determine the lesser of the STEP SEVEN result or the STEP EIGHT result.

STEP TEN: Determine the result of:

(A) the property tax liability for the qualified residence that is imposed for the assessment date on March 1, 2005, or in the case of a mobile home (as defined in IC 6-1.1-7-1), January 15, 2006; minus

(B) the property tax liability for the qualified residence that is imposed for the assessment date on March 1, 2004, or in the case of a mobile home (as defined in IC 6-1.1-7-1), January 15, 2005.

STEP ELEVEN: Determine the product of:

(A) the property tax liability for the qualified residence that is imposed for the assessment date on March 1, 2004, or in the case of a mobile home (as defined in IC 6-1.1-7-1), January 15, 2005; multiplied by

(B) one and one-tenth (1.1).

STEP TWELVE: Determine the lesser of the STEP TEN result or the STEP ELEVEN result.

STEP THIRTEEN: Determine the sum of the following:

(A) STEP THREE result.

(B) STEP SIX result.

(C) STEP NINE result.

(D) STEP TWELVE result.

STEP FOURTEEN: Determine the greater of the STEP THREE result or the STEP THIRTEEN result.

(c) If on an assessment date after March 1, 2001, and before March 2, 2005, the assessed value of the qualified residence is increased by an improvement to real property or an addition of real property, the property tax liability attributable to the improvement or addition shall be excluded from the calculations under subsection (b). In this case, the initial year threshold amount for the base year is the sum of the following:

(1) The result determined under subsection (b) without considering the effects of the improvement or the addition.

(2) The property tax liability attributable to the improvement or addition for the March 1, 2005, assessment date.

(d) The following is the base year for the qualified residence:

(1) 2005, to the extent the qualified residence consists of real property.

(2) 2006, to the extent that the qualified residence consists of a mobile home (as defined in IC 6-1.1-7-1).

Sec. 18. (a) This section applies to a qualified residence if the qualified residence:

(1) was not the principal place of residence, as determined under IC 6-1.1-20.9, of an individual that qualifies as a qualified resident on March 1, 2001, or in the case of a mobile home (as defined in IC 6-1.1-7-1), January 15, 2002;

(2) was the principal place of residence, as determined under IC 6-1.1-20.9, of an individual that qualifies as a qualified resident on March 1, 2002, or in the case of a mobile home (as defined in IC 6-1.1-7-1), January 15, 2003; and

(3) has continuously served as the principal place of residence of the qualified resident thereafter.

(b) Subject to subsection (c), the initial year threshold amount for the base year for the qualified residence is the amount determined under STEP TWELVE of the following formula:

STEP ONE: Determine the property tax liability for the qualified residence that is imposed for the assessment date in March 1, 2002, or in the case of a mobile home (as defined in IC 6-1.1-7-1), January 15, 2003.

STEP TWO: Determine the result of:

(A) the property tax liability for the qualified residence that is imposed for the assessment date on March 1, 2003, or in the case of a mobile home (as defined in IC 6-1.1-7-1), January 15, 2004; minus

(B) the property tax liability for the qualified residence that is imposed for the assessment date on March 1, 2002, or in the case of a mobile home (as defined in IC 6-1.1-7-1), January 15, 2003.

STEP THREE: Determine the product of:

(A) the property tax liability for the qualified residence that is imposed for the assessment date on March 1, 2002, or in the case of a mobile home (as defined in IC 6-1.1-7-1), January 15, 2003; multiplied by

(B) one and one-tenth (1.1).

STEP FOUR: Determine the lesser of the STEP TWO result or the STEP THREE result.

STEP FIVE: Determine the result of:

(A) the property tax liability for the qualified residence that is imposed for the assessment date on March 1, 2004, or in the case of a mobile home (as defined in IC 6-1.1-7-1), January 15, 2005; minus

(B) the property tax liability for the qualified residence that is imposed for the assessment date on March 1, 2003, or in the case of a mobile home (as defined in IC 6-1.1-7-1), January 15, 2004.

STEP SIX: Determine the product of:

(A) the property tax liability for the qualified residence that is imposed for the assessment date on March 1, 2003, or in the case of a mobile home (as defined in IC 6-1.1-7-1), January 15, 2004; multiplied by

(B) one and one-tenth (1.1).

STEP SEVEN: Determine the lesser of the STEP FIVE

result or the STEP SIX result.

STEP EIGHT: Determine the result of:

(A) the property tax liability for the qualified residence that is imposed for the assessment date on March 1, 2005, or in the case of a mobile home (as defined in IC 6-1.1-7-1), January 15, 2006; minus

(B) the property tax liability for the qualified residence that is imposed for the assessment date on March 1, 2004, or in the case of a mobile home (as defined in IC 6-1.1-7-1), January 15, 2005.

STEP NINE: Determine the product of:

(A) the property tax liability for the qualified residence that is imposed for the assessment date on March 1, 2004, or in the case of a mobile home (as defined in IC 6-1.1-7-1), January 15, 2005; multiplied by

(B) one and one-tenth (1.1).

STEP TEN: Determine the lesser of the STEP EIGHT result or the STEP NINE result.

STEP ELEVEN: Determine the sum of the following:

(A) STEP FOUR result.

(B) STEP SEVEN result.

(C) STEP TEN result.

STEP TWELVE: Determine the greater of the STEP ONE result or the STEP ELEVEN result.

(c) If on an assessment date after March 1, 2002, and before March 2, 2005, the assessed value of the qualified residence is increased by an improvement to real property or an addition of real property, the property tax liability attributable to the improvement or addition shall be excluded from the calculations under subsection (b). In this case, the initial year threshold amount for the base year is the sum of the following:

(1) The result determined under subsection (b) without considering the effects of the improvement or the addition.

(2) The property tax liability attributable to the improvement or addition for the March 1, 2005, assessment date.

(d) The following is the base year for the qualified residence:

(1) 2005, to the extent the qualified residence consists of real property.

(2) 2006, to the extent that the qualified residence consists of a mobile home (as defined in IC 6-1.1-7-1).

Sec. 19. (a) This section applies to a qualified residence if the qualified residence:

(1) was not the principal place of residence, as determined under IC 6-1.1-20.9, of an individual that qualifies as a qualified resident on March 1, 2002, or in the case of a mobile home (as defined in IC 6-1.1-7-1), January 15, 2003;

(2) was the principal place of residence, as determined under IC 6-1.1-20.9, of an individual that qualifies as a qualified resident on March 1, 2003, or in the case of a mobile home (as defined in IC 6-1.1-7-1), January 15, 2004; and

(3) has continuously served as the principal place of residence of the qualified resident thereafter.

(b) Subject to subsection (c), the initial year threshold amount for the base year for the qualified residence is the amount determined under STEP NINE of the following formula:

STEP ONE: Determine the property tax liability for the qualified residence that is imposed for the assessment date on March 1, 2003, or in the case of a mobile home (as defined in IC 6-1.1-7-1), January 15, 2004.

STEP TWO: Determine the result of:

(A) the property tax liability for the qualified residence that is imposed for the assessment date on March 1, 2004, or in the case of a mobile home (as defined in IC 6-1.1-7-1), January 15, 2005; minus

(B) the property tax liability for the qualified residence that is imposed for the assessment date on March 1, 2003, or in the case of a mobile home (as defined in IC 6-1.1-7-1), January 15, 2004.

STEP THREE: Determine the product of:

(A) the property tax liability for the qualified residence that is imposed for the assessment date on March 1, 2003, or in the case of a mobile home (as defined in IC 6-1.1-7-1), January 15, 2004; multiplied by

(B) one and one-tenth (1.1).

STEP FOUR: Determine the lesser of the STEP TWO result or the STEP THREE result.

STEP FIVE: Determine the result of:

(A) the property tax liability for the qualified residence that is imposed for the assessment date on March 1, 2005, or in the case of a mobile home (as defined in IC 6-1.1-7-1), January 15, 2006; minus

(B) the property tax liability for the qualified residence that is imposed for the assessment date on March 1, 2004, or in the case of a mobile home (as defined in IC 6-1.1-7-1), January 15, 2005.

STEP SIX: Determine the product of:

(A) the property tax liability for the qualified residence that is imposed for the assessment date on March 1, 2004, or in the case of a mobile home (as defined in IC 6-1.1-7-1), January 15, 2005; multiplied by

(B) one and one-tenth (1.1).

STEP SEVEN: Determine the lesser of the STEP FIVE result or the STEP SIX result.

STEP EIGHT: Determine the sum of the following:

(A) STEP FOUR result.

(B) STEP SEVEN result.

STEP NINE: Determine the greater of the STEP ONE result or the STEP EIGHT result.

(c) If on an assessment date after March 1, 2003, and before March 2, 2005, the assessed value of the qualified residence is increased by an improvement to real property or an addition of real property, the property tax liability attributable to the improvement or addition shall be excluded from the calculations under subsection (b). In this case, the initial year threshold amount for the base year is the sum of the following:

(1) The result determined under subsection (b) without considering the effects of the improvement or the addition.

(2) The property tax liability attributable to the improvement or addition for the March 1, 2005, assessment date.

(d) The following is the base year for the qualified residence:

(1) 2005, to the extent the qualified residence consists of real property.

(2) 2006, to the extent that the qualified residence consists of a mobile home (as defined in IC 6-1.1-7-1).

Sec. 20. (a) This section applies to a qualified residence if the qualified residence:

(1) was not the principal place of residence, as determined under IC 6-1.1-20.9, of an individual that qualifies as a qualified resident on March 1, 2003, or in the case of a mobile home (as defined in IC 6-1.1-7-1), January 15, 2004;

(2) was the principal place of residence, as determined under IC 6-1.1-20.9, of an individual that qualifies as a qualified resident on March 1, 2004, or in the case of a mobile home (as defined in IC 6-1.1-7-1), January 15, 2005; and

(3) has continuously served as the principal place of residence of the qualified resident thereafter.

(b) Subject to subsection (c), the initial year threshold amount for the base year for the qualified residence is the amount determined under STEP FIVE of the following formula:

STEP ONE: Determine the property tax liability for the qualified residence that is imposed for the assessment date on March 1, 2004, or in the case of a mobile home (as defined in IC 6-1.1-7-1), January 15, 2005.

STEP TWO: Determine the result of:

(A) the property tax liability for the qualified residence that is imposed for the assessment date on March 1, 2005, or in the case of a mobile home (as defined in IC 6-1.1-7-1), January 15, 2006; minus

(B) the property tax liability for the qualified residence that is imposed for the assessment date on March 1, 2004, or in the case of a mobile home (as defined in IC 6-1.1-7-1), January 15, 2005.

STEP THREE: Determine the product of:

(A) the property tax liability for the qualified residence

that is imposed for the assessment date on March 1, 2004, or in the case of a mobile home (as defined in IC 6-1.1-7-1), January 15, 2005; multiplied by

(B) one and one-tenth (1.1).

STEP FOUR: Determine the lesser of the STEP TWO result or the STEP THREE result.

STEP FIVE: Determine the greater of the STEP ONE result or the STEP FOUR result.

(c) If on an assessment date after March 1, 2004, and before March 2, 2005, the assessed value of the qualified residence is increased by an improvement to real property or an addition of real property, the property tax liability attributable to the improvement or addition shall be excluded from the calculations under subsection (b). In this case, the initial year threshold amount for the base year is the sum of the following:

(1) The result determined under subsection (b) without considering the effects of the improvement or the addition.

(2) The property tax liability attributable to the improvement or addition for the March 1, 2005, assessment date.

(d) The following is the base year for the qualified residence:

(1) 2005, to the extent the qualified residence consists of real property.

(2) 2006, to the extent that the qualified residence consists of a mobile home (as defined in IC 6-1.1-7-1).

Sec. 21. (a) This section applies to a qualified residence if the qualified residence:

(1) was not the principal place of residence, as determined under IC 6-1.1-20.9, of an individual that qualifies as a qualified resident on March 1, 2005, or in the case of a mobile home (as defined in IC 6-1.1-7-1), January 15, 2006;

(2) was the principal place of residence, as determined under IC 6-1.1-20.9, of an individual that qualifies as a qualified resident on an assessment date after March 1, 2005, or in the case of a mobile home (as defined in IC 6-1.1-7-1), after January 15, 2006; and

(3) has continuously served as the principal place of residence of the qualified resident thereafter.

(b) The initial year threshold amount for the base year is the property tax liability imposed for the assessment date described in subsection (a)(2).

(c) The year containing the assessment date described in subsection (a)(2) is the base year.

Sec. 22. (a) For each year after the base year, the auditor of the county in which the qualified residence is located shall adjust the threshold amount under this section. In performing the calculation, the addition of a negative number shall be treated as reducing the sum.

(b) Subject to subsection (c) the threshold amount for a year is the amount determined under STEP SIX of the following formula:

STEP ONE: Determine the property tax liability for the qualified residence that is imposed for the last assessment date for which a threshold amount was calculated without considering any deferral made under this chapter.

STEP TWO: Determine the result of:

(A) the property tax liability for the qualified residence that is imposed for the assessment date immediately following the last assessment date for which a threshold amount was calculated without considering any deferral made under this chapter; minus

(B) the STEP ONE result.

STEP THREE: Determine the product of:

(A) the STEP ONE result; multiplied by

(B) one and one-tenth (1.1).

STEP FOUR: Determine the lesser of the STEP TWO result or the STEP THREE result.

STEP FIVE: Determine the sum of the threshold amount for the immediately preceding year and the STEP FOUR result.

STEP SIX: Determine the greater of the threshold amount for the immediately preceding year or the STEP FIVE result.

(c) If after the last assessment date for which a threshold amount was calculated the assessed value of the qualified residence is increased by an improvement to real property or an addition of real property, the property tax liability attributable to the improvement or addition shall be excluded from the calculations under subsection (b). In this case, a separate initial year threshold amount shall be calculated for the improvement or addition. On the assessment date on which the improvement or addition is first assessed to the qualified residence, the initial year threshold amount is the property tax liability increase attributable to the improvement or addition. For purposes of applying subsection (b) in subsequent years, the base year is the year containing the assessment date on which the improvement or addition is first assessed to the qualified residence. The threshold amount for the qualified residence is the sum of the calculations for the qualified residence determined without considering the improvements or additions and the calculations for each improvement or addition.

Sec. 23. (a) The county treasurer shall annually determine the following:

(1) The minimum required payment for the most current assessment date.

(2) The maximum amount of property tax liability that may be deferred for the assessment date.

(b) The minimum required payment is the lesser of the following:

(1) The total tax liability due for the assessment date.

(2) The threshold amount calculated for the assessment date.

(c) The amount that may be deferred for any particular assessment date is the greater of the following:

(1) Zero dollars ($0).

(2) The result of the:

(A) property tax liability due for the assessment date; minus

(B) minimum required payment for the assessment date.

(d) The county treasurer shall notify the county auditor of the amount of the minimum required payment and the amount that may be deferred in a year.

Sec. 24. An amount of property taxes deferred in a particular year does not accrue interest until the fifth year after it would have otherwise have been due if it had not been deferred. Beginning in the fifth year on the installment date on which the property taxes would otherwise have been due, the amount deferred for that particular year accrues interest at the rate set under IC 6-8.1-10-1 for delinquent listed taxes. The due date for the payment of accrued interest is deferred until the earlier of the following:

(1) The date the property taxes on which the interest accrues are due.

(2) The date that a taxpayer pays the accrued deferred property taxes.

Sec. 25. The amount of any unpaid property taxes deferred in any particular year is not due until after the later of the following:

(1) The date that all of the qualified residents named in the application for property tax deferral cease to qualify as qualified residents.

(2) The date that no surviving spouse of a qualified resident named in an application for property tax deferral qualifies as a surviving spouse.

If ownership is transferred in exchange for anything of value, the unpaid property taxes and any accrued interest are due on the next business day after the transfer. Otherwise, the unpaid property taxes and accrued interest are due on the next regular installment date for the payment of property taxes.

Sec. 26. Any taxpayer for the qualified residence may appeal an adverse decision under section 12, 13, 15, or 25 of this chapter in the same manner that appeals may be taken under IC 6-1.1-15. Any taxpayer for the qualified residence may become a party to the appeal.

Sec. 27. (a) If deferred property taxes or accrued interest are not paid by the due date, the property taxes and interest shall be treated as delinquent property taxes under this article and as a delinquent tax liability under IC 6-8.1. The county auditor, in the

manner prescribed by the department of local government finance, shall notify the department of local government finance of the delinquency not later than fifteen (15) days after the taxes become delinquent. The department of local government finance shall notify the department of state revenue of the delinquency.

(b) A county shall collect the delinquent liability in the manner that other delinquent property taxes are collected.

Sec. 28. The county auditor and the county treasurer shall separately account for:

(1) property taxes that are subject to an application for deferral under this chapter; and

(2) property taxes deferred under this chapter and interest imposed under this chapter.

Sec. 29. (a) Not later than the settlement date after property taxes are deferred under this chapter, the county treasurer shall send:

(1) an electronic copy of a notice of the amount of property taxes deferred on each qualified residence and interest imposed on deferred property taxes since the immediately preceding settlement date to the department of local government finance; and

(2) if the qualified residence consists of real property, a written copy of the notice of property taxes deferred on the qualified residence since the immediately preceding settlement date to the county recorder.

(b) The notice must be sent in the form prescribed by the department of local government finance.

(c) The notice submitted to the county recorder must contain at least the following information:

(1) The name of each person liable for the deferred property taxes under IC 6-1.1-2-4.

(2) The control number assigned to the corresponding application for deferral.

(3) The index number assigned under IC 6-1.1-5-2 for the qualified residence or, if an index system is not used in the county, a description of the county, township, block, and parcel or lot in which the qualified residence is located.

(4) The amount of property taxes that were deferred and interest imposed on deferred property taxes on each qualified residence since the last settlement date.

(5) The part of the deferred property taxes that is attributable to property taxes imposed by the state.

(6) The total amount of all property taxes deferred and interest imposed on deferred property taxes on all qualified residences since the last settlement date.

Sec. 30. When deferred property taxes or interest on deferred property taxes are paid, the county treasurer shall:

(1) record the payment;

(2) notify the county auditor of the payment;

(3) if the payment is for real property, submit a written release of the lien for the amount of the payment to the county recorder for recording in the miscellaneous records of the county recorder; and

(4) notify the department of local government finance of the payment in the form prescribed by the department of local government finance.

Sec. 31. The county recorder shall record a:

(1) statement of the amount of property tax deferred and interest imposed on deferred property taxes;

(2) statement of payment of deferred property taxes and interest on deferred property taxes; and

(3) notice of termination of a deferral;

without charge, in the miscellaneous records of the county recorder.

Sec. 32. Subject to this chapter, the county treasurer shall distribute:

(1) amounts collected from deferred property taxes; and

(2) penalties and interest collected on deferred property taxes;

to each taxing unit in the county in proportion to the property taxes levied by the taxing unit in the year of collection. The amount distributed under this section shall be treated as miscellaneous revenue.

Sec. 33. In making distributions under this chapter, the county treasurer may make a settlement of amounts owing to each other rather than making separate distributions.

Sec. 34. (a) Except:

(1) as required by federal law or regulation;

(2) in the case of a loan that is made, guaranteed, or insured by a federal government lending or insuring agency requiring the borrower to make payments to a lender with respect to an escrow or other type of account; or

(3) in a case in which this section would impair the obligations of a borrower under an agreement executed before July 1, 2005;

a lender shall not require a borrower to maintain an escrow or other type of account with regard to taxes for which the borrower has elected to defer taxes under this chapter.

(b) For purposes of applying this section, an election to defer taxes in any year shall be treated as an election to defer a similar amount of taxes in later years except to the extent that the borrower notifies the lender of different terms.

(c) Any payments made by the borrower to the escrow or other type of account with regard to taxes, before the time of submission of the evidence of tax deferral, for any period, if not previously used in payment or partial payment of taxes, shall be refunded to the borrower within thirty (30) days after the payment is made.".

Page 41, line 3, after "6-3.1-13-15" insert ", AS AMENDED BY P.L.4-2005, SECTION 71,".

Page 41, line 6, delete "board" and insert "corporation".

Page 41, line 7, delete "board" and insert "corporation".

Page 41, delete lines 14 through 15.

Page 41, line 16, delete "(4)" and insert "(3)".

Page 41, line 19, delete "(5)" and insert "(4)".

Page 41, line 22, delete "(6)" and insert "(5)".

Page 41, line 23, delete "(7)" and insert "**(6)**".

Page 41, line 30, after "6-3.1-13-15.5" insert ", AS AMENDED BY P.L.4-2005, SECTION 72,".

Page 41, line 33, delete "board" and insert "corporation".

Page 41, line 34, delete "board" and insert "corporation".

Page 43, line 5, after "6-3.1-13-17" insert ", AS AMENDED BY P.L.4-2005, SECTION 74,".

Page 43, line 9, delete "board" and insert "corporation".

Page 43, line 20, after "assistance" insert "and incentives".

Page 43, line 20, delete "is" and insert "are".

Page 43, line 27, delete "board" and insert "corporation".

Page 43, line 30, delete "board" and insert "corporation".

Page 44, line 2, delete "shall" and insert "~~may, at the discretion of the corporation,~~".

Page 44, line 14, after "6-3.1-13-19" insert ", AS AMENDED BY P.L.4-2005, SECTION 76,".

Page 44, line 16, delete "board".

Page 44, line 17, reset in roman "corporation".

Page 44, line 36, delete "board".

Page 44, line 36, reset in roman "corporation".

Page 45, line 4, delete "board".

Page 45, line 4, reset in roman "corporation".

Page 45, line 8, delete "board".

Page 45, line 8, reset in roman "corporation".

Page 45, line 10, after "6-3.1-13-19.5" insert ", AS AMENDED BY P.L.4-2005, SECTION 77,".

Page 45, line 13, delete "board".

Page 45, line 13, reset in roman "corporation".

Page 45, line 29, delete "board:".

Page 45, line 29, reset in roman "corporation:".

Page 45, line 40, delete "board".

Page 45, line 40, reset in roman "corporation".

Page 46, line 7, delete "board".

Page 46, line 7, reset in roman "corporation".

Page 46, line 9, delete "board".

Page 46, line 9, reset in roman "corporation".

Page 47, line 20, after "6-3.1-26-18" insert ", AS AMENDED BY P.L.4-2005, SECTION 107,".

Page 47, line 22, delete "board".

Page 47, line 22, reset in roman "corporation".

Page 47, line 23, delete "board".

Page 47, line 23, reset in roman "corporation".

Page 48, between lines 2 and 3, begin a new paragraph and insert:

"SECTION 1. IC 6-3.1-29 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2005 (RETROACTIVE)]:

Chapter 29. State New Markets Tax Credit

Sec. 1. As used in this chapter, "applicable percentage" means the following:

(1) One percent (1%) for the first three (3) credit allowance dates.

(2) Two percent (2%) for the remainder of the credit allowance dates.

Sec. 2. As used in this chapter, "certified equity investment" refers to a qualified equity investment certified under this chapter for a tax credit.

Sec. 3. As used in this chapter, "credit" refers to a state new markets tax credit granted under this chapter against state tax liability.

Sec. 4. As used in this chapter, "credit allowance date" means the following with respect to any certified equity investment:

(1) The date on which the certified equity investment is initially made.

(2) Each of the six (6) annual anniversary dates immediately following the date described in subdivision (1).

Sec. 5. As used in this chapter, "holder", with respect to a credit allowance date, refers to one (1) of the following:

(1) The taxpayer or pass through entity that makes the original qualified equity investment, if the taxpayer or pass through entity owns the qualified equity investment on a credit allowance date.

(2) A subsequent taxpayer or pass through entity that owns the qualified equity investment on a credit allowance date.

Sec. 6. As used in this chapter, "pass through entity" means a:

(1) corporation that is exempt from the adjusted gross income tax under IC 6-3-2-2.8(2);

(2) partnership;

(3) trust;

(4) limited liability company; or

(5) limited liability partnership.

Sec. 7. As used in this chapter, "qualified equity investment" has the meaning set forth in Section 45D of the Internal Revenue Code.

Sec. 8. As used in this chapter, "qualified low-income community investments" has the meaning set forth in Section 45D of the Internal Revenue Code.

Sec. 9. As used in this chapter, "state tax liability" means a taxpayer's total tax liability that is incurred under:

(1) IC 6-3-1 through IC 6-3-7 (the adjusted gross income tax);

(2) IC 27-1-18-2 (the insurance premiums tax); and

(3) IC 6-5.5 (the financial institutions tax);

as computed after the application of the credits that under IC 6-3.1-1-2 are to be applied before the credit provided by this chapter.

Sec. 10. As used in this chapter, "taxpayer" means an individual, a corporation, a partnership, or another entity that has any state tax liability.

Sec. 11. Subject to this chapter, a taxpayer that:

(1) holds a certified equity investment on a credit allowance date; and

(2) does not receive another credit under this article for the same certified equity investment;

is entitled to a state new markets tax credit in the taxable year in which the credit allowance date occurs against the taxpayer's state tax liability for the taxable year.

Sec. 12. The amount of the credit in a taxable year is equal to the amount determined under STEP THREE of the following formula:

STEP ONE: Determine the amount of the qualified equity investment that is:

(A) held by the taxpayer on the credit allowance date in the taxable year; and

(B) certified under this chapter as a certified equity investment.

STEP TWO: Multiply the STEP ONE amount by the applicable percentage for the credit allowance date.

STEP THREE: Multiply the STEP TWO amount by:

(A) the tax credit adjustment factor approved by the department of tourism and community development established by P.L.224-2003 under this chapter; or

(B) eighty-five hundredths (0.85), if clause (A) does not apply.

Sec. 13. (a) If:

(1) a pass through entity does not have state income tax liability against which the tax credit provided by this chapter may be applied; and

(2) the pass through entity would be eligible for a tax credit under this chapter if the pass through entity were a taxpayer;

a shareholder, partner, or member of the pass through entity is entitled to a tax credit under this chapter.

(b) Subject to this chapter, the amount of the tax credit to which a shareholder, partner, or member of a pass through entity is entitled is equal to:

(1) the tax credit determined for the pass through entity for the taxable year as if the pass through entity were a taxpayer with state tax liability in the amount of the tax credit; multiplied by

(2) the percentage of the pass through entity's distributive income to which the shareholder, partner, or member is entitled.

Sec. 14. (a) If the amount of the tax credit provided under this chapter for a taxpayer in a taxable year exceeds the taxpayer's state tax liability for that taxable year, the taxpayer may carry the excess over to not more than three (3) subsequent taxable years. The amount of the tax credit carryover from a taxable year shall be reduced to the extent that the carryover is used by the taxpayer to obtain a tax credit under this chapter for any subsequent taxable year.

(b) A taxpayer is not entitled to a carryback or refund of any unused tax credit.

Sec. 15. (a) To receive the tax credit for a qualified investment under this chapter, a taxpayer or a pass through entity must:

(1) make a qualified equity investment; and

(2) be certified by the department of tourism and community development to receive a tax credit for the qualified equity investment.

(b) The department of tourism and community development shall establish a program to certify qualified equity investments as eligible for a tax credit.

(c) The amount of tax credits allowed under this chapter may not exceed one million dollars ($1,000,000) in a state fiscal year. Applicants for a tax credit that:

(1) make a qualified equity investment;

(2) are eligible to receive a federal tax credit under Section 45D of the Internal Revenue Code for the qualified equity investment; and

(3) apply to the department of tourism and community development in the manner and on the form prescribed by the department of tourism and community development;

shall be certified for a tax credit in the amount of each applicant's qualified equity investment in the order in which the applicants apply to the department of tourism and community development for tax credits until the maximum amount of tax credits allowed under this section for a state fiscal year has been allocated among qualifying applicants. However, the department of tourism and community development may provide a procedure for an applicant denied a tax credit solely as a result of the cap imposed by this subsection to be given priority in the award of a tax credit in a subsequent state fiscal year.

(d) The certification of a tax credit under this section applies only to credit allowance dates that occur after the certification is made.

(e) If the state new markets tax credits allocated to the taxpayer or pass through entity are disallowed or recaptured under this chapter, the department of tourism and community development may reallocate the unused tax credits to another qualified applicant in the order in which qualifying applications

are filed with the department of tourism and community development.

Sec. 16. (a) A taxpayer or pass through entity that holds a certified equity investment may apply to the department of tourism and community development to establish the tax credit adjustment factor that applies to the taxpayer or pass through entity.

(b) The department of tourism and community development shall establish a program to approve tax credit adjustment factors under this section for qualifying applicants. The department of tourism and community development may provide a procedure for combining an application for a tax credit for a qualified investment under section 15 of this chapter with an application for a tax credit adjustment factor under this section.

(c) If the applicant applies for the tax credit adjustment factor in the manner and on the form prescribed by the department of tourism and community development, the department of tourism and community development shall approve a tax credit adjustment factor for the applicant that is equal to the percentage of the aggregate gross assets of the entity in which the certified equity investment was made that the department of tourism and community development determines are invested by the entity in qualified low-income community investments.

(d) An approval granted under this section applies to the taxable years specified by the department of tourism and community development.

Sec. 17. To receive the tax credit under this chapter, a taxpayer must claim the credit on the taxpayer's annual state tax return or returns in the manner prescribed by the department. A taxpayer claiming a credit under this chapter shall submit to the department a copy of the certification letter issued by the department of tourism and community development under section 15 of this chapter and any state new markets tax credit adjustment approval letter provided under this chapter. The taxpayer shall submit to the department the information that the department determines is necessary for the department to determine whether the taxpayer is eligible for the tax credit.

Sec. 18. (a) The holder of a certified equity investment shall notify the department and the department of tourism and community development if the federal tax credit granted for the certified equity investment under Section 45D of the Internal Revenue Code is disallowed or otherwise recaptured under Section 45D of the Internal Revenue Code.

(b) If the federal tax credit is disallowed or otherwise recaptured, the department or the department of tourism and community development may:

(1) disallow the use of a part of the unused tax credits;

(2) recapture a part of the tax credit that has been applied to the state tax liability of a taxpayer; or

(3) both disallow under subdivision (1) and recapture under subdivision (2).

The percentage of the tax credit that may be disallowed and recaptured under this subsection is equal to the percentage of the total federal credit that is disallowed or otherwise recaptured under Section 45D of the Internal Revenue Code.

Sec. 19. The department or the department of tourism and community development, or both, may adopt under IC 4-22-2 any rules that may be necessary to carry out the purposes of this chapter, including rules to facilitate the transfer of credits earned under this chapter.".

Page 54, line 15, after "the" insert "**Indiana**".

Page 54, line 15, delete "for a" and insert "**corporation**".

Page 54, line 16, delete "growing economy board".

Page 65, delete lines 19 through 20.

Page 65, line 21, delete "THE FOLLOWING ARE REPEALED [EFFECTIVE".

Page 65, line 22, delete "JULY 1, 2005]: IC 5-3-1-3;".

Page 65, line 22, delete "." and insert "IS REPEALED [EFFECTIVE JULY 1, 2005].".

Page 65, between lines 22 and 23, begin a new paragraph and insert:

"SECTION 51. THE FOLLOWING ARE REPEALED [EFFECTIVE JULY 1, 2005]: IC 4-10-21-3; IC 4-10-21-4.

SECTION 52. [EFFECTIVE JUNE 15, 2005] **(a) IC 4-10-18-1, as amended by this act, applies to deposits in the counter-cyclical revenue and economic stabilization fund made after June 14, 2005.**

(b) IC 4-10-18-4, IC 4-10-18-5, and IC 4-10-18-9, all as amended by this act, apply only to distributions from the counter-cyclical revenue and economic stabilization fund after June 30, 2005.

Page 66, between lines 17 and 18, begin a new paragraph and insert:

"SECTION 54. [EFFECTIVE JANUARY 1, 2005 (RETROACTIVE)]: **The definitions in IC 6-3.1-29, as added by this act, apply throughout this SECTION. IC 6-3.1-29, as added by this act, applies only to:**

(1) qualified equity investments made; and

(2) taxable years beginning;

after December 31, 2004.".

Page 67, between lines 17 and 18, begin a new paragraph and insert:

"SECTION 55. [EFFECTIVE UPON PASSAGE] **IC 6-1.1-18-11, as amended by this act, applies to property taxes first due and payable after December 31, 2005.**

SECTION 56. [EFFECTIVE UPON PASSAGE] **(a) For purposes of this SECTION:**

(1) "civil taxing unit" has the meaning set forth in IC 6-1.1-18.5-1; and

(2) "maximum levy" refers to the maximum permissible ad valorem property tax levy determined under IC 6-1.1-18.5-3.

(b) Notwithstanding IC 6-1.1-18.5, a civil taxing unit may adopt a resolution or an ordinance to determine the civil taxing unit's maximum levy for property taxes first due and payable in 2006 under this SECTION. The fiscal officer of a civil taxing unit adopting a resolution or an ordinance under this SECTION shall immediately send a certified copy of the resolution or ordinance to the department of local government finance.

(c) For property taxes first due and payable in 2006, the maximum levy of a civil taxing unit that adopts a resolution or an ordinance under this SECTION is the maximum levy for the unit for taxes first due and payable in 2005 in the amount that would have been determined under IC 6-1.1-18.5 if the amendments to IC 6-1.1-18.5 in P.L.1-2004 did not apply for taxes first due and payable in 2004 and 2005.

(d) This SECTION expires January 1, 2007.

SECTION 57. [EFFECTIVE UPON PASSAGE] **IC 6-1.1-18.5-1, as amended by this act, applies to property taxes first due and payable after December 31, 2006.**".

Page 67, line 28, delete "that meets either of".

Page 67, line 29, delete "the following conditions".

Page 67, line 31, delete "2005:" and insert "**2005 if**".

Page 67, line 32, delete "(1) The" and insert "**the**".

Page 67, run in lines 31 through 32.

Page 67, delete lines 36 through 42.

Page 68, delete lines 1 through 2.

SECTION 53. [EFFECTIVE JUNE 15, 2005] **IC 4-10-18-8, as amended by this act, applies to state fiscal years ending after June 30, 2005.**".

Page 68, delete lines 3 through 5, begin a new paragraph and insert:

"SECTION 57. [EFFECTIVE UPON PASSAGE] **(a) Notwithstanding IC 6-1.1-20.6-2, as added by this act, a county may adopt an ordinance under this SECTION to apply the credit authorized by IC 6-1.1-20.6, as added by this act, to property taxes first due and payable in 2004 or 2005.**

(b) If a county has not issued property tax statements under IC 6-1.1-22-8 to the persons liable for property taxes in the county for property taxes first due and payable in 2004, the county fiscal body may adopt an ordinance to apply the credit under IC 6-1.1-20.6, as added by this act, to the property taxes first due and payable in 2004. A county fiscal body may not adopt an ordinance under this subsection after statements are issued under IC 6-1.1-22-8 for the property taxes first due and payable in 2004.

(c) If a county has not issued property tax statements under

IC 6-1.1-22-8 to the persons liable for property taxes in the county for property taxes first due and payable in 2005, the county fiscal body may adopt an ordinance to apply the credit under IC 6-1.1-20.6, as added by this act, to the property taxes first due and payable in 2005. A county fiscal body may not adopt an ordinance under this subsection after statements are issued under IC 6-1.1-22-8 for the property taxes first due and payable in 2005.

(d) Notwithstanding any provision in IC 6-1.1-20.6, as added by this act, IC 6-1.1-20.6 applies to a credit authorized by an ordinance passed under this SECTION.

(e) Except as provided in subsections (b) and (c), IC 6-1.1-20.6, as added by this act, applies to property taxes first due and payable after December 31, 2005.

(f) This SECTION expires January 1, 2006.".

Page 70, between lines 15 and 16, begin a new paragraph and insert:

"SECTION 68. [EFFECTIVE UPON PASSAGE] **(a) The definitions in IC 6-1.1-1 apply throughout this SECTION.**

(b) IC 6-1.1-45, as added by this act, applies only to ad valorem property taxes first due and payable for assessment dates after February 28, 2005.

SECTION 69. [EFFECTIVE UPON PASSAGE] **IC 6-1.1-18.5-17 and IC 6-1.1-19-1.7, both as amended by this act, apply only to property taxes paid after December 31, 2005.**".

Renumber all SECTIONS consecutively.

(Reference is to SB 496 as reprinted February 23, 2005.)

and when so amended that said bill do pass.

Committee Vote: yeas 17, nays 1.

ESPICH, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Local Government, to which was referred Engrossed Senate Bill 498, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 1, between the enacting clause and line 1, begin a new paragraph and insert:

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

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

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

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

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

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

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

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

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

(9) has volunteered services at a public school (as defined in IC 20-10.1-1-2) or nonpublic school (as defined in IC 20-10.1-1-3) that involve contact with, care of, or supervision over a student enrolled in the school;

(10) is being investigated for welfare fraud by an investigator of the division of family and children or a county office of family and children;

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

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

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

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

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

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

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

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

(F) Vicarious sexual gratification (IC 35-42-4-5).

(G) Child solicitation (IC 35-42-4-6).

(H) Child seduction (IC 35-42-4-7).

(I) Sexual misconduct with a minor as a felony (IC 35-42-4-9).

(J) Incest (IC 35-46-1-3), if the victim is less than eighteen (18) years of age; **or**

(14) is an owner or employee (as defined in IC 24-4-14-1) of a teen club (as defined in IC 24-4-14-2) that is regulated by a city, town, or county that has adopted an ordinance under IC 24-4-14.

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

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

(1) Federally chartered or insured banking institutions.

(2) Officials of state and local government for any of the following purposes:

(A) Employment with a state or local governmental entity.

(B) Licensing.

(3) Segments of the securities industry identified under 15 U.S.C. 78q(f)(2).

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

SECTION 2. IC 24-4-14 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:

Chapter 14. Regulation of Teen Clubs

Sec. 1. As used in this chapter, "employee" means a person employed or permitted to work or perform any service in a teen club for remuneration or under any contract of hire, written or oral, express or implied, by an owner of a teen club.

Sec. 2. As used in this chapter, "teen club" means a for-profit establishment that:

(1) is open to the public for the primary purpose of:

(A) offering an individual who is under the legal age for purchasing or consuming alcoholic beverages an opportunity to engage in social activities; and

(B) providing entertainment, food, or nonalcoholic beverages for a profit; and

(2) does not serve alcoholic beverages.

Sec. 3. A city, town, or county may adopt an ordinance to regulate a teen club and impose one (1) or more of the following:

(1) A requirement that a teen club be licensed.

(2) A requirement that an owner or employee of a teen club submit to a criminal history check.

(3) A requirement that an owner of a teen club require, and provide to third parties upon request, a statement from each employee that the employee has not been convicted of:

(A) a felony; or

(B) a crime involving children.

(4) An age restriction for individuals who may enter a teen club.

(5) A restriction on the hours of operation of a teen club.".

Renumber all SECTIONS consecutively.

(Reference is to SB 498 as printed February 18, 2005.)

and when so amended that said bill do pass.

Committee Vote: yeas 10, nays 0.

HINKLE, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Education, to which was referred Engrossed Senate Bill 504, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 1, between the enacting clause and line 1, begin a new paragraph and insert:

"SECTION 1. IC 20-26-5-4, AS ADDED BY HEA 1288-2005, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. In carrying out the school purposes of a school corporation, the governing body acting on the school corporation's behalf has the following specific powers:

(1) In the name of the school corporation, to sue and be sued and to enter into contracts in matters permitted by applicable law.

(2) To take charge of, manage, and conduct the educational affairs of the school corporation and to establish, locate, and provide the necessary schools, school libraries, other libraries where permitted by law, other buildings, facilities, property, and equipment.

(3) To appropriate from the school corporation's general fund an amount, not to exceed the greater of three thousand dollars ($3,000) per budget year or one dollar ($1) per pupil, not to exceed twelve thousand five hundred dollars ($12,500), based on the school corporation's previous year's average daily membership (as defined in IC 21-3-1.6-1.1) to promote the best interests of the school corporation through:

(A) the purchase of meals, decorations, memorabilia, or awards;

(B) provision for expenses incurred in interviewing job applicants; or

(C) developing relations with other governmental units.

(4) To:

(A) Acquire, construct, erect, maintain, hold, and contract for construction, erection, or maintenance of real estate, real estate improvements, or an interest in real estate or real estate improvements, as the governing body considers necessary for school purposes, including buildings, parts of buildings, additions to buildings, rooms, gymnasiums, auditoriums, playgrounds, playing and athletic fields, facilities for physical training, buildings for administrative, office, warehouse, repair activities, or housing school owned buses, landscaping, walks, drives, parking areas, roadways, easements and facilities for power, sewer, water, roadway, access, storm and surface water, drinking water, gas, electricity, other utilities and similar purposes, by purchase, either outright for cash (or under conditional sales or purchase money contracts providing for a retention of a security interest by the seller until payment is made or by notes where the contract, security retention, or note is permitted by applicable law), by exchange, by gift, by devise, by eminent domain, by lease with or without option to purchase, or by lease under IC 21-5-10, IC 21-5-11, or IC 21-5-12.

(B) Repair, remodel, remove, or demolish, or to contract for the repair, remodeling, removal, or demolition of the real estate, real estate improvements, or interest in the real estate or real estate improvements, as the governing body considers necessary for school purposes.

(C) Provide for ~~energy~~ conservation measures through utility ~~energy~~ efficiency programs or under a guaranteed ~~energy~~ savings contract as described in IC 36-1-12.5.

(5) To acquire personal property or an interest in personal property as the governing body considers necessary for school purposes, including buses, motor vehicles, equipment, apparatus, appliances, books, furniture, and supplies, either by cash purchase or under conditional sales or purchase money contracts providing for a security interest by the seller until payment is made or by notes where the contract, security, retention, or note is permitted by applicable law, by gift, by devise, by loan, or by lease with or without option to purchase and to repair, remodel, remove, relocate, and demolish the personal property. All purchases and contracts delineated under the powers given under subdivision (4) and this subdivision are subject solely to applicable law relating to purchases and contracting by municipal corporations in general and to the supervisory control of state agencies as provided in section 6 of this chapter.

(6) To sell or exchange real or personal property or interest in real or personal property that, in the opinion of the governing body, is not necessary for school purposes, in accordance with IC 20-26-7, to demolish or otherwise dispose of the property if, in the opinion of the governing body, the property is not necessary for school purposes and is worthless, and to pay the expenses for the demolition or disposition.

(7) To lease any school property for a rental that the governing body considers reasonable or to permit the free use of school property for:

(A) civic or public purposes; or

(B) the operation of a school age child care program for children five (5) years of age through fourteen (14) years of age that operates before or after the school day, or both, and during periods when school is not in session;

if the property is not needed for school purposes. Under this subdivision, the governing body may enter into a long term lease with a nonprofit corporation, community service organization, or other governmental entity, if the corporation, organization, or other governmental entity will use the property to be leased for civic or public purposes or for a school age child care program. However, if payment for the property subject to a long term lease is made from money in the school corporation's debt service fund, all proceeds from the long term lease ~~must be~~ **are** deposited in the school corporation's debt service fund so long as payment for the property has not been made. The governing body may, at the governing body's option, use the procedure specified in IC 36-1-11-10 in leasing property under this subdivision.

(8) To:

(A) Employ, contract for, and discharge superintendents, supervisors, principals, teachers, librarians, athletic coaches (whether or not they are otherwise employed by the school corporation and whether or not they are licensed under IC 20-28-5), business managers, superintendents of buildings and grounds, janitors, engineers, architects, physicians, dentists, nurses, accountants, teacher aides performing noninstructional duties, educational and other professional consultants, data processing and computer service for school purposes, including the making of schedules, the keeping and analyzing of grades and other student data, the keeping and preparing of warrants, payroll, and similar data where approved by the state board of accounts as provided below, and other personnel or services as the governing body considers necessary for school purposes.

(B) Fix and pay the salaries and compensation of persons and services described in this subdivision.

(C) Classify persons or services described in this subdivision and to adopt schedules of salaries or compensation.

(D) Determine the number of the persons or the amount of the services employed or contracted for as provided in this subdivision.

(E) Determine the nature and extent of the duties of the persons.

The compensation, terms of employment, and discharge of teachers are, however, subject to and governed by the laws relating to employment, contracting, compensation, and discharge of teachers. The compensation, terms of employment, and discharge of bus drivers ~~is~~ **are** subject to and governed by laws relating to employment, contracting, compensation, and discharge of bus drivers. The forms and procedures relating to the use of computer and data processing equipment in handling the financial affairs of the school corporation must be submitted to the state board of accounts for approval to the end that the services are used by the school corporation when the governing body determines that it is in the best interest of the school corporation while at the same time providing reasonable accountability for the funds expended.

(9) Notwithstanding the appropriation limitation in subdivision (3), when the governing body by resolution considers a trip by an employee of the school corporation or by a member of the governing body to be in the interest of the school corporation, including attending meetings, conferences, or examining equipment, buildings, and installation in other areas, to permit the employee to be absent in connection with the trip without any loss in pay and to refund to the employee or to the member the employee's or member's reasonable hotel and board bills and necessary transportation expenses. To pay teaching personnel for time spent in sponsoring and working with school related trips or activities.
(10) To transport children to and from school, when in the opinion of the governing body the transportation is necessary, including considerations for the safety of the children and without regard to the distance the children live from the school, the transportation to be otherwise in accordance with applicable law.
(11) To provide a lunch program for a part or all of the students attending the schools of the school corporation, including the establishment of kitchens, kitchen facilities, kitchen equipment, lunch rooms, the hiring of the necessary personnel to operate the lunch program, and the purchase of material and supplies for the lunch program, charging students for the operational costs of the lunch program, fixing the price per meal or per food item. To operate the lunch program as an extracurricular activity, subject to the supervision of the governing body. To participate in a surplus commodity or lunch aid program.
(12) To purchase textbooks, to furnish textbooks without cost or to rent textbooks to students, to participate in a textbook aid program, all in accordance with applicable law.
(13) To accept students transferred from other school corporations and to transfer students to other school corporations in accordance with applicable law.
(14) To levy taxes, to make budgets, to appropriate funds, and to disburse the money of the school corporation in accordance with applicable law. To borrow money against current tax collections and otherwise to borrow money, in accordance with IC 21-2-21.
(15) To purchase insurance or to establish and maintain a program of self-insurance relating to the liability of the school corporation or the school corporation's employees in connection with motor vehicles or property and for additional coverage to the extent permitted and in accordance with IC 34-13-3-20. To purchase additional insurance or to establish and maintain a program of self-insurance protecting the school corporation and members of the governing body, employees, contractors, or agents of the school corporation from liability, risk, accident, or loss related to school property, school contract, school or school related activity, including the purchase of insurance or the establishment and maintenance of a self-insurance program protecting persons described in this subdivision against false imprisonment, false arrest, libel, or slander for acts committed in the course of the persons' employment, protecting the school corporation for fire and extended coverage and other casualty risks to the extent of replacement cost, loss of use, and other insurable risks relating to property owned, leased, or held by the school corporation. To:
(A) participate in a state employee health plan under IC 5-10-8-6.6;
(B) purchase insurance; or
(C) establish and maintain a program of self-insurance;
to benefit school corporation employees, including accident, sickness, health, or dental coverage, provided that a plan of self-insurance must include an aggregate stop-loss provision.
(16) To make all applications, to enter into all contracts, and to sign all documents necessary for the receipt of aid, money, or property from the state government, the federal government, or from any other source.
(17) To defend any member of the governing body or any employee of the school corporation in any suit arising out of the performance of the member's or employee's duties for or employment with, the school corporation, if the governing body by resolution determined that the action was taken in good faith. To save any member or employee harmless from any liability, cost, or damage in connection with the performance, including the payment of legal fees, except where the liability, cost, or damage is predicated on or arises out of the bad faith of the member or employee, or is a claim or judgment based on the member's or employee's malfeasance in office or employment.
(18) To prepare, make, enforce, amend, or repeal rules, regulations, and procedures for the government and management of the schools, property, facilities, and activities of the school corporation, the school corporation's agents, employees, and pupils and for the operation of the governing body, which rules, regulations, and procedures may be designated by an appropriate title such as "policy handbook", "bylaws", or "rules and regulations".
(19) To ratify and approve any action taken by a member of the governing body, an officer of the governing body, or an employee of the school corporation after the action is taken, if the action could have been approved in advance, and in connection with the action to pay the expense or compensation permitted under IC 20-26-1 through IC 20-26-5, IC 20-26-7, IC 21-2-19, and IC 21-2-21 or any other law.
(20) To exercise any other power and make any expenditure in carrying out the governing body's general powers and purposes provided in this chapter or in carrying out the powers delineated in this section which is reasonable from a business or educational standpoint in carrying out school purposes of the school corporation, including the acquisition of property or the employment or contracting for services, even though the power or expenditure is not specifically set out in this chapter. The specific powers set out in this section do not limit the general grant of powers provided in this chapter except where a limitation is set out in IC 20-26-1 through IC 20-26-5, IC 20-26-7, IC 21-2-19, and IC 21-2-21 by specific language or by reference to other law.".
Page 2, line 3, strike "energy".
Page 2, line 4, strike "energy".
Page 2, after line 12, begin a new paragraph and insert:
"SECTION 3. IC 36-1-12.5-0.7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 0.7. As used in this chapter, "causally connected work" means work that is required to properly implement ~~an energy~~ **a** conservation measure.
SECTION 4. IC 36-1-12.5-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. As used in this chapter ~~"energy~~ "conservation measure":
(1) means:
(A) a school facility alteration; ~~or~~
(B) an alteration of a structure (as defined in IC 36-1-10-2 **or as referred to in IC 36-1-12-2) or system; or**
(C) a technology upgrade;
designed to **provide billable revenue increases or** reduce energy **or water** consumption costs, **wastewater costs,** or other operating costs; ~~including~~ **and**
(2) includes the following:
~~(1)~~ **(A)** Providing insulation of the school facility or structure and systems ~~within~~ **in** the school facility or structure.
~~(2)~~ **(B)** Installing or providing for window and door systems, including:
~~(A)~~ **(i)** storm windows and storm doors;
~~(B)~~ **(ii)** caulking or weatherstripping;
~~(C)~~ **(iii)** multi-glazed windows and doors;
~~(D)~~ **(iv)** heat absorbing or heat reflective glazed and coated windows and doors;
~~(E)~~ **(v)** additional glazing;
~~(F)~~ **(vi)** the reduction in glass area; and
~~(G)~~ **(vii)** other modifications that reduce energy consumption.
~~(3)~~ **(C)** Installing automatic energy control systems.
~~(4)~~ **(D)** Modifying or replacing heating, ventilating, or air conditioning systems.
~~(5)~~ **(E)** Unless an increase in illumination is necessary to conform to Indiana laws or rules or local ordinances, modifying or replacing lighting fixtures to increase the

energy efficiency of the lighting system without increasing the overall illumination of a facility or structure.

~~(6)~~ **(F)** Providing for other ~~energy~~ conservation measures that **provide billable revenue increases or** reduce energy **or water** consumption, ~~or~~ reduce operating costs, **or reduce wastewater costs,** including future:

~~(A)~~ **(i)** labor costs;

~~(B)~~ **(ii)** costs **or revenues** for contracted services; and

~~(C)~~ **(iii)** related capital expenditures.

(G) Installing an energy recovery system.

(H) Installing cogeneration systems that produce:

(i) steam; or

(ii) forms of energy such as heat or electricity;

for use primarily in a building or complex of buildings.

(I) Installing water and sewer conservation measures, including:

(i) plumbing fixtures; and

(ii) infrastructure.

(J) Installing equipment upgrades that improve accuracy of billable revenue generating systems.

(K) Installing automated, electronic, or remotely controlled systems or measures that reduce direct personnel costs.

SECTION 5. IC 36-1-12.5-1.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1.5. As used in this chapter, "governing body" means the following:

(1) With respect to school corporations, the governing body (as defined in IC 20-10.1-1-5).

(2) With respect to a public library, the library board (as defined in IC 20-14-1-2).

(3) With respect to a library described in IC 20-14-7-6, the trustees of the library.

(4) With respect to ~~other political subdivisions,~~ **units,** the legislative body (as defined in IC 36-1-2-9).

(5) With respect to other political subdivisions, the board or officer that has the power to award contracts.

SECTION 6. IC 36-1-12.5-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. As used in this chapter, "guaranteed ~~energy~~ savings contract" refers to a contract entered into under this chapter, in which a qualified provider enters into an agreement with the governing body to:

(1) evaluate and recommend to the governing ~~body energy~~ **body's** conservation measures; and

(2) provide for the implementation of at least one (1) ~~energy~~ conservation measure.

SECTION 7. IC 36-1-12.5-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. (a) As used in this chapter, "qualified provider" means the following:

(1) Before July 1, 1999, the term means a person that satisfies both of the following:

(A) The person is experienced in the design, implementation, and installation of energy conservation measures.

(B) The person submits to the school corporation or political subdivision a performance bond to ensure the qualified provider's faithful performance of the qualified provider's obligations over the term of the guaranteed energy savings contract.

(2) After June 30, 1999, the term means a person that satisfies all of the following:

(A) **Subject to subdivision (3),** the person is experienced in the design, implementation, and installation of energy conservation measures.

(B) The person is certified and meets the requirements of IC 4-13.6-4. The person's response to the request for proposals must include a copy of the person's certificate of qualification issued under IC 4-13.6-4.

(C) **Subject to subdivision (3),** the person provides energy conservation engineering services by a professional engineer licensed under IC 25-31 who is under the person's direct employment and supervision. The person's response to the request for proposals must include the license number of each professional engineer employed by the person to satisfy the requirement of this clause.

(D) The person provides:

(i) monitoring for the facility performance guarantee; and

(ii) service personnel under the person's direct employment and supervision;

for the duration of the contract's guarantee.

(E) The person performs at least twenty percent (20%) of the work (measured in dollars of the total contract price) with its own workforce.

(F) The person submits to the school corporation or political subdivision a performance bond to ensure the qualified provider's faithful performance of the qualified provider's obligations over the term of:

(i) the guaranteed energy savings contract; **or**

(ii) the guaranteed savings contract.

(3) With respect to conservation measures for which a contract is executed after June 30, 2005, the term includes a person that satisfies the following:

(A) The person is experienced in the design, implementation, and installation of conservation measures.

(B) The person provides engineering services with respect to conservation measures by a professional engineer licensed under IC 25-31 who is under the person's direct employment and supervision. The person's response to the request for proposals must include the license number of each professional engineer employed by the person to satisfy the requirement of this clause.

(b) For purposes of a guaranteed energy savings contract entered into before July 1, 1999, a person who was a qualified provider under subsection (a)(1) at the time the contract was entered into remains a qualified provider for that contract after June 30, 1999. If the person enters into:

(1) a guaranteed energy savings contract after June 30, 1999, **and before July 1, 2005,** the person must satisfy the requirements of subsection (a)(2); **or**

(2) a guaranteed savings contract after June 30, 2005, the person must satisfy the requirements of subsections (a)(2) and (a)(3);

to be considered a qualified provider.

SECTION 8. IC 36-1-12.5-3.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3.5. As used in this chapter, "related capital expenditures" includes capital costs that:

(1) the governing body reasonably believes will be incurred during the contract term;

(2) are part of or are causally connected to the ~~energy~~ conservation measures being implemented; and

(3) are documented by industry engineering standards.

SECTION 9. IC 36-1-12.5-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. As used in this chapter, "utility ~~energy~~ efficiency program" refers to an energy, **a water, or a wastewater** efficiency program that:

(1) includes ~~an energy~~ **a** conservation measure;

(2) is established by a public utility (as defined in IC 8-1-8.7-2); and

(3) is undertaken pursuant to this chapter.

SECTION 10. IC 36-1-12.5-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. (a) The governing body may enter into an agreement with a public utility to participate in a utility ~~energy~~ efficiency program or enter into a guaranteed ~~energy~~ savings contract with a qualified provider to **increase the political subdivision's billable revenues or** reduce the school corporation's or the political subdivision's energy **or water** consumption, **wastewater usage** costs, or operating costs if, after review of the report described in section 6 of this chapter, the governing body finds:

(1) that the amount the governing body would spend on the ~~energy~~ conservation measures under the contract and that are recommended in the report is not likely to exceed the amount **of increased billable revenues or the amount** to be saved in energy **and water** consumption costs, **wastewater usage costs,** and other operating costs over ten (10) years from the date of installation if the recommendations in the report were followed; and

(2) in the case of a guaranteed ~~energy~~ savings contract, the qualified provider provides a written guarantee as described in subsection (d)(2).

(b) Before entering into an agreement to participate in a utility ~~energy~~ efficiency program or a guaranteed ~~energy~~ savings contract under this section, the governing body must publish notice under subsection (c) indicating:

(1) that the governing body is requesting public utilities or qualified providers to propose ~~energy~~ conservation measures through: ~~either~~

(A) a utility ~~energy~~ efficiency program; or

(B) a guaranteed ~~energy~~ savings contract; and

(2) the date, the time, and the place where proposals must be received.

(c) The notice required by subsection (b) must:

(1) be published in two (2) newspapers of general circulation in the county where the school corporation or the political subdivision is located;

(2) be published two (2) times with at least one (1) week between publications and with the second publication made at least thirty (30) days before the date by which proposals must be received; and

(3) meet the requirements of IC 5-3-1-1.

(d) An agreement to participate in a utility ~~energy~~ efficiency program or guaranteed ~~energy~~ savings contract under this section must provide that:

(1) all payments, except obligations upon the termination of the agreement or contract before the agreement or contract expires, may be made to the public utility or qualified provider (whichever applies) in installments, not to exceed the lesser of ten (10) years or the average life of the ~~energy~~ conservation measures installed from the date of final installation; ~~and~~

(2) in the case of the guaranteed ~~energy~~ savings contract:

(A) the**:**

(i) savings in energy **and water consumption costs, wastewater usage costs,** and **other** operating costs; **and**

(ii) increase in billable revenues;

due to the ~~energy~~ conservation measures are guaranteed to cover the costs of the payments for the measures; and

(B) the qualified provider will reimburse the school corporation or political subdivision for the difference between the guaranteed savings and the actual savings; and

(3) payments are subject to annual appropriation by the fiscal body of the school corporation or political subdivision and do not constitute an indebtedness of the school corporation or political subdivision within the meaning of a constitutional or statutory debt limitation.

(e) An agreement or a contract under this chapter is subject to IC 5-16-7.

SECTION 11. IC 36-1-12.5-5.3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5.3. (a) This section applies only to a guaranteed energy savings contract **or a guaranteed savings contract** entered into after June 30, 1999.

(b) A qualified provider may enter into a subcontract:

(1) with a value of more than one hundred fifty thousand dollars ($150,000); and

(2) for the performance of any part of a guaranteed energy savings contract **or guaranteed savings contract;**

only if the subcontractor is certified under IC 4-13.6-4.

SECTION 12. IC 36-1-12.5-5.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5.5. IC 6-1.1-20 does not apply to an agreement to participate in:

(1) a utility ~~energy~~ efficiency program; or

(2) a guaranteed ~~energy~~ savings contract;

entered into under this chapter.

SECTION 13. IC 36-1-12.5-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6. (a) Before the public utility or the qualified provider may install equipment in, make modifications to, or remodel a building or complex of buildings under a utility ~~energy~~ efficiency program or a guaranteed ~~energy~~ savings contract, the public utility or the qualified provider (whichever applies) must issue a report that includes estimates for the following:

(1) All costs attributable to the work stipulated in the agreement or the contract, including the costs of design, engineering, installation, maintenance, repairs, or debt service.

(2) The amounts by which:

(A) energy **or water** consumption;

(B) wastewater costs; or

(C) operating costs;

will be reduced.

(3) The amounts by which billable revenues will be increased.

(b) The report must also contain a listing of contractors and subcontractors to be used by the public utility or the qualified provider with respect to the ~~energy~~ conservation measures.

SECTION 14. IC 36-1-12.5-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7. If the governing body enters into an installment payment contract for the purchase and installation of ~~energy~~ conservation measures under this chapter, the balance of the payments must be paid in installments not to exceed the lesser of ten (10) years or the average life of the ~~energy~~ conservation measure installed from the date of final installation. Payments under an installment payment contract are subject to annual appropriation by the fiscal body of the school corporation or political subdivision and do not constitute an indebtedness of the school corporation or political subdivision within the meaning of a constitutional or statutory debt limitation. **Annual revenues or savings from a guaranteed savings contract may be less than annual payments on the contract if during the length of the contract total savings and increased billable revenues occur as provided for by the contract. The financing of a guaranteed savings contract may be provided by:**

(1) the vendor of the guaranteed energy, water, or wastewater savings program; or

(2) a third-party financial institution or company.

SECTION 15. IC 36-1-12.5-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 8. ~~Energy~~ Conservation measures installed under a utility ~~energy~~ efficiency program or a guaranteed ~~energy~~ savings contract must be approved by the following:

(1) The state department of health, office of the state fire marshal, office of the state building commissioner, and any other state agency designated by statute.

(2) An architect or engineer licensed under IC 25-4 or IC 25-31 if the ~~energy~~ conservation measures have a cost of more than fifty thousand dollars ($50,000).

SECTION 16. IC 36-1-12.5-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 9. (a) The contractor and each subcontractor engaged in installing ~~energy~~ conservation measures under a guaranteed ~~energy~~ savings contract shall keep full and accurate records indicating the names, classifications, and work performed by each worker employed by the respective contractor and subcontractor in connection with the work, together with an accurate record of the number of hours worked by each worker and the actual wages paid.

(b) The payroll records required to be kept under this section must be open to inspection by an authorized representative of the governing body or the department of labor.

SECTION 17. IC 36-1-12.5-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 10. The governing body shall:

(1) provide to the department of commerce not more than sixty (60) days after the date of execution of the guaranteed ~~energy~~ savings contract:

(A) a copy of the executed guaranteed ~~energy~~ savings contract;

(B) the:

(i) energy **or water** consumption costs;

(ii) wastewater usage costs; and

(iii) billable revenues, if any;

before the date of execution of the guaranteed ~~energy~~ savings contract; and

(C) the documentation using industry engineering standards for:

(i) stipulated savings; and

(ii) related capital expenditures; and

(2) annually report to the department of commerce, in accordance with procedures established by the department of commerce, the savings resulting in the previous year from the guaranteed ~~energy~~ savings contract or utility ~~energy~~ efficiency program.

SECTION 18. IC 36-1-12.5-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 11. (a) A guaranteed ~~energy~~ savings contract that includes stipulated savings must specify the methodology used to calculate the savings using industry engineering standards.

(b) Stipulated savings may be used for ~~energy~~ conservation measures including the following:

(1) Heating.
(2) Air conditioning.
(3) Ventilating.
(4) Lighting.
(5) Roofing.
(6) Windows.
(7) Water conservation.
(8) Fuel and power improvements.
(9) Wastewater generation.
(10) Billable revenue increases.
~~(9)~~ **(11)** Any work that is causally connected to the ~~energy~~ conservation measures listed in subdivisions (1) through ~~(8).~~ **(10).**

(c) The guaranteed ~~energy~~ savings contract shall:

(1) describe stipulated savings for:
(A) ~~energy~~ conservation measures; and
(B) work causally connected to the ~~energy~~ conservation measures; and
(2) document assumptions by industry engineering standards.

SECTION 19. IC 36-1-12.5-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 12. (a) An improvement that is not causally connected to ~~an energy~~ **a** conservation measure may be included in a guaranteed ~~energy~~ savings contract if:

(1) the total value of the improvement does not exceed fifteen percent (15%) of the total value of the guaranteed ~~energy~~ savings contract; and
(2) either:
(A) the improvement is necessary to conform to a law, a rule, or an ordinance; or
(B) an analysis within the guaranteed ~~energy~~ savings contract demonstrates that:
(i) there is an economic advantage to the political subdivision in implementing an improvement as part of the guaranteed ~~energy~~ savings contract; and
(ii) the savings justification for the improvement is documented by industry engineering standards.

(b) The information required under subsection (a) must be reported to the department of commerce.".

Renumber all SECTIONS consecutively.

(Reference is to SB 504 as printed February 25, 2005.)
and when so amended that said bill do pass.

Committee Vote: yeas 5, nays 3.

BEHNING, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Courts and Criminal Code, to which was referred Engrossed Senate Bill 525, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill do pass.

Committee Vote: yeas 8, nays 0.

ULMER, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Agriculture and Rural Development, to which was referred Engrossed Senate Bill 527, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Delete the title and insert the following:

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

Page 1, between the enacting clause and line 1, begin a new paragraph and insert:

"SECTION 1. IC 14-8-2-37.6 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: **Sec. 37.6. "Cervidae", for purposes of IC 14-22-20.5, has the meaning set forth in IC 14-22-20.5-1.**

SECTION 2. IC 14-8-2-37.7 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: **Sec. 37.7. "Cervidae livestock operation", for purposes of IC 14-22-20.5, has the meaning set forth in IC 14-22-20.5-2.**

SECTION 3. IC 14-8-2-37-8 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: **Sec. 37.8. "Cervidae products", for purposes of IC 14-22-20.5, has the meaning set forth in IC 14-22-20.5-3.**

SECTION 4. IC 14-22-20.5 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:

Chapter 20.5. Cervidae and Cervidae Products

Sec. 1. As used in this chapter, "cervidae" means privately owned members of the cervidae family, including deer, elk, moose, reindeer, and caribou.

Sec. 2. As used in this chapter, "cervidae livestock operation" means an operation that:

(1) has a game breeders license issued by the department of natural resources under IC 14-22-20;
(2) contains privately owned cervidae; and
(3) involves the breeding, propagating, purchasing, selling, and marketing of cervidae or cervidae products;

but does not involve the hunting of privately owned cervidae.

Sec. 3. As used in this chapter, "cervidae products" means products, coproducts, or byproducts of cervidae.

Sec. 4. Cervidae and cervidae products legally produced, purchased, possessed, or acquired within Indiana or imported into Indiana are the exclusive property of the owner.

Sec. 5. Meat and products derived from privately owned cervidae that are from a cervidae livestock operation may be sold to the general public, subject to IC 15-2.1-24.".

Page 13, line 25, delete "diary" and insert "**dairy**".

Renumber all SECTIONS consecutively.

(Reference is to SB 527 as printed February 11, 2005.)
and when so amended that said bill do pass.

Committee Vote: yeas 8, nays 0.

GUTWEIN, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Public Health, to which was referred Engrossed Senate Bill 539, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Delete the title and insert the following:

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

Page 1, line 3, delete "40.5" and insert "**40.5.**"
Page 1, delete lines 16 through 17.
Page 2, line 1, delete "(e)" and insert "**(d)**".
Page 2, line 12, delete "(f)" and insert "**(e)**".
Page 2, line 12, delete "shall" and insert "**may**".
Page 2, delete lines 21 through 33.

(Reference is to SB 539 as printed February 18, 2005.)
and when so amended that said bill do pass.

Committee Vote: yeas 9, nays 0.

BECKER, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Insurance, to which was referred Engrossed Senate Bill 549, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill do pass.

Committee Vote: yeas 10, nays 0.

RIPLEY, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Courts and Criminal Code, to which was referred Engrossed Senate Bill 557, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 2, line 20, delete "." and insert "**or two (2) hours, whichever occurs first.**".

Page 2, line 37, after "2" insert "**or 2.5**".

(Reference is to SB 557 as printed February 25, 2005.)

and when so amended that said bill do pass.

Committee Vote: yeas 9, nays 1.

ULMER, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Commerce, Economic Development and Small Business, to which was referred Engrossed Senate Bill 571, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 1, between the enacting clause and line 1, begin a new paragraph and insert:

"SECTION 1. IC 4-3-21-11, AS ADDED BY P.L.5-2005, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 11. The council shall do the following:

(1) Identify the public infrastructure and other community support necessary:

(A) to improve mission efficiencies; and

(B) for the development and expansion;

of military bases in Indiana.

(2) Identify existing and potential impacts of encroachment on military bases in Indiana.

(3) Identify potential state and local government actions that can:

(A) minimize the impacts of encroachment on; and

(B) enhance the long term potential of;

military bases.

(4) Identify opportunities for collaboration among:

(A) the state, including the military department of the state;

(B) political subdivisions;

(C) military contractors; and

(D) academic institutions;

to enhance the economic potential of military bases and the economic benefits of military bases to the state.

(5) Review state policies, including funding and legislation, to identify actions necessary to prepare for the United States Department of Defense Efficient Facilities Initiative scheduled to begin in 2005.

(6) Study how governmental entities outside Indiana have addressed issues regarding encroachment and partnership formation described in this section.

(7) With respect to a multicounty federal military base under IC 36-7-30.5:

(A) vote to require the establishment of the development authority under IC 36-7-30.5, if necessary; and

(B) advise and submit recommendations to a development authority board appointed under IC 36-7-30.5.

SECTION 2. IC 5-28-26 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:

Chapter 26. Global Commerce Centers

Sec. 1. As used in this chapter, "base assessed value" means:

(1) the net assessed value of all the taxable property located in a global commerce center as finally determined for the assessment date immediately preceding the effective date of the allocation provision of a resolution adopted under section 18 of this chapter; plus

(2) to the extent it is not included in subdivision (1), the net assessed value of property that is assessed as residential property under the rules of the department of local government finance, as finally determined for any assessment date after the effective date of the allocation provision.

Sec. 2. As used in this chapter, "district" means a regional economic development district designated by the United States Department of Commerce Economic Development Administration.

Sec. 3. As used in this chapter, "gross retail base period amount" means the total amount of state gross retail and use taxes remitted under IC 6-2.5 by the businesses operating in the territory comprising a global commerce center during the full state fiscal year that precedes the date on which the global commerce center was designated under section 12 of this chapter.

Sec. 4. As used in this chapter, "high technology activity" has the meaning set forth in IC 36-7-32-7.

Sec. 5. As used in this chapter, "hub" means a regional economic development project that is:

(1) selected by a district for development as a global commerce center; and

(2) designated as a global commerce center under this chapter.

Sec. 6. As used in this chapter, "income tax base period amount" means the total amount of the following taxes paid by employees employed in the territory comprising a global commerce center with respect to wages and salary earned for work in the global commerce center for the state fiscal year that precedes the date on which the global commerce center was designated under section 12 of this chapter:

(1) The adjusted gross income tax.

(2) The county adjusted gross income tax.

(3) The county option income tax.

(4) The county economic development income tax.

Sec. 7. As used in this chapter, "public facilities" includes a street, a road, a bridge, a storm water or sanitary sewer, a sewage treatment facility, a facility designed to reduce, eliminate, or prevent the spread of identified soil or groundwater contamination, a drainage system, a retention basin, a pretreatment facility, a waterway, a waterline, a water storage facility, a rail line, an electric, gas, telephone or other communications line or any other type of utility line or pipeline, or another similar or related structure or improvement, together with necessary easements for the structure or improvement. Except for rail lines, utility lines, or pipelines, the structures or improvements described in this section must be either owned or used by a public agency, functionally connected to similar or supporting facilities owned or used by a public agency, or designed and dedicated for use by, for the benefit of, or for the protection of the health, welfare, or safety of the public generally, whether or not used by a single business entity. Any road, street, or bridge must be continuously open to public access. A public facility must be located on public property or in a public, utility, or transportation easement or right-of-way.

Sec. 8. As used in this chapter, "spoke" means an economic development project that is:

(1) located within the area served by a district;

(2) undertaken to support the activities of a hub; and

(3) treated as a global commerce center under this chapter upon the approval of the the district board and fiscal body of the county in which the project is located.

Sec. 9. As used in this chapter, "tax increment revenues" means the property taxes attributable to the assessed value of property located in a global commerce center in excess of the base assessed value.

Sec. 10. As used in this chapter, "unit" means a county, city, or

town.

Sec. 11. The corporation shall do the following:

(1) Review and:

(A) approve; or

(B) reject;

all applicants for global commerce center designation, according to the criteria for designation set forth in section 12 of this chapter.

(2) Establish a procedure by which global commerce centers may be monitored and evaluated on an annual basis.

(3) Promote the global commerce center program.

Sec. 12. (a) The corporation may designate up to three (3) global commerce centers under this chapter. A global commerce center must include a hub. The boundaries of the global commerce center are not required to be contiguous.

(b) If a district applies to the corporation to have part of the area served by the district designated as a global commerce center, the corporation shall approve the district's application if the corporation determines that the proposed global commerce center meets the following criteria:

(1) The district applying for a global commerce center designation does not contain a metropolitan statistical area.

(2) The proposed global commerce center is well suited for the development of a hub and its supporting spokes.

(3) The proposed global commerce center has the support of the surrounding community.

(4) The proposed global commerce center is well suited for the development of at least one (1) of the following:

(A) A high technology activity.

(B) Advanced manufacturing.

(C) Transportation, distribution, and logistics.

(D) Agribusiness.

(c) The corporation shall adopt rules under IC 4-22-2 specifying application procedures.

(d) The corporation shall give priority to an application submitted by a district that:

(1) serves a region that borders another state;

(2) contains at least one (1) county that consistently ranks among the highest in Indiana in unemployment;

(3) is served by an interstate highway; and

(4) has identified a site for a proposed global commerce center that is well suited for the development of an intermodal transportation hub.

Sec. 13. If a global commerce center is designated under section 12 of this chapter, an unlimited number of spokes may be added to the global commerce center at the discretion of the fiscal bodies of the counties served by the district and the district board.

Sec. 14. (a) After a global commerce center is designated under section 12 of this chapter, the district shall send to the department of state revenue:

(1) a certified copy of the designation of the global commerce center under section 12 of this chapter; and

(2) a complete list of the employers in the global commerce center and the street names and the range of street numbers of each street in the global commerce center.

The district shall update the list provided under subdivision (2) before July 1 of each year.

(b) Not later than sixty (60) days after receiving a copy of the designation of the global commerce center, the department of state revenue shall determine the gross retail base period amount and the income tax base period amount.

Sec. 15. Before the first business day in October of each year, the department of state revenue shall calculate the income tax incremental amount and the gross retail incremental amount for the preceding state fiscal year for each global commerce center designated under this chapter.

Sec. 16. (a) The treasurer of state shall establish an incremental tax financing fund for each global commerce center designated under this chapter. The fund shall be administered by the treasurer of state. Money in the fund does not revert to the state general fund at the end of a state fiscal year.

(b) Subject to subsection (c), the following amounts shall be deposited during each state fiscal year in the incremental tax financing fund established for a global commerce center under subsection (a):

(1) The total amount of state gross retail and use taxes that are remitted under IC 6-2.5 by businesses operating in the global commerce center, until the amount of state gross retail and use taxes deposited equals the gross retail incremental amount for the global commerce center.

(2) The total amount of the following taxes paid by employees employed in the global commerce center with respect to wages earned for work in the global commerce center, until the amount deposited equals the income tax incremental amount:

(A) The adjusted gross income tax.

(B) The county adjusted gross income tax.

(C) The county option income tax.

(D) The county economic development income tax.

(c) Not more than a total of five million dollars ($5,000,000) may be deposited in a particular incremental tax financing fund for a global commerce center over the life of the global commerce center.

(d) On or before the twentieth day of each month, all amounts held in the incremental tax financing fund established for a global commerce center shall be distributed to the district that administers the global commerce center for deposit in the regional economic development fund established under section 19 of this chapter.

Sec. 17. (a) A county fiscal body in which a hub or spoke is located may allocate three percent (3%) of the tax increment revenues attributable to the hub or spoke to the district if the county fiscal body adopts a resolution under subsection (b).

(b) The county fiscal body may adopt a resolution designating a hub or spoke as an allocation area for purposes of the allocation and distribution of the amount of property taxes described in subsection (a).

(c) After adoption of the resolution under subsection (b), the county fiscal body shall:

(1) publish notice of the adoption and substance of the resolution in accordance with IC 5-3-1; and

(2) file the following information with each taxing unit that has authority to levy property taxes in the geographic area where the global commerce center is located:

(A) A copy of the notice required by subdivision (1).

(B) A statement disclosing the impact of the global commerce center, including the following:

(i) The estimated economic benefits and costs incurred by the global commerce center, as measured by increased employment and anticipated growth of real property assessed values.

(ii) The anticipated impact on tax revenues of each taxing unit.

The notice must state the general boundaries of the global commerce center and must state that written remonstrances may be filed with the county fiscal body until the time designated for the hearing. The notice must also name the place, date, and time when the county fiscal body will receive and hear remonstrances and objections from persons interested in or affected by the proceedings pertaining to the proposed allocation area and will determine the public utility and benefit of the proposed allocation area. The county fiscal body shall file the information required by subdivision (2) with the officers of the taxing unit who are authorized to fix budgets, tax rates, and tax levies under IC 6-1.1-17-5 at least ten (10) days before the date of the public hearing. All persons affected in any manner by the hearing, including all taxpayers within the county, shall be considered notified of the pendency of the hearing and of subsequent acts, hearings, adjournments, and orders of the county fiscal body affecting the allocation area if the county fiscal body gives the notice required by this section.

(d) At the hearing, which may be recessed and reconvened periodically, the county fiscal body shall hear all persons interested in the proceedings and shall consider all written remonstrances and objections that have been filed. After considering the evidence presented, the county fiscal body shall take final action in determining the public utility and benefit of

the proposed allocation area confirming, modifying and confirming, or rescinding the resolution. The final action taken by the county fiscal body shall be recorded and is final and conclusive.

Sec. 18. (a) A unit may issue bonds for the purpose of providing public facilities under this chapter.

(b) The bonds are payable from any funds available to the unit.

(c) The bonds shall be authorized by a resolution of the unit.

(d) The terms and form of the bonds shall be set out either in the resolution or in a form of trust indenture approved by the resolution.

(e) The bonds must mature within fifty (50) years.

(f) The unit shall sell the bonds at public or private sale upon terms determined by the district.

(g) All money received from any bonds issued under this chapter shall be applied solely to the payment of the cost of providing public facilities within a global commerce center, or the cost of refunding or refinancing outstanding bonds, for which the bonds are issued. The cost may include the cost of:

(1) planning and development of the public facilities and all related buildings, facilities, structures, and improvements;

(2) acquisition of a site and clearing and preparing the site for construction;

(3) equipment, facilities, structures, and improvements that are necessary or desirable to make the public facilities suitable for use and operation;

(4) architectural, engineering, consultant, and attorney's fees;

(5) incidental expenses in connection with the issuance and sale of bonds;

(6) reserves for principal and interest;

(7) interest during construction and for a period thereafter determined by the district, but not to exceed five (5) years;

(8) financial advisory fees;

(9) insurance during construction;

(10) municipal bond insurance, debt service reserve insurance, letters of credit, or other credit enhancement; and

(11) in the case of refunding or refinancing, payment of the principal of, redemption premiums, if any, for, and interest on, the bonds being refunded or refinanced.

(h) A unit that issues bonds under this section may enter an interlocal agreement with any other unit located in the area served by the district in which the global commerce center is designated. A party to an agreement under this section may pledge any of its revenues, including taxes or allocated taxes under IC 36-7-14, to the bonds or lease rental obligations of another party to the agreement.

Sec. 19. (a) Each district in which a global commerce center is designated shall establish a regional economic development fund.

(b) The fund consists of:

(1) revenues received under section 16 of this chapter;

(2) property taxes allocated to the district under section 17 of this chapter; and

(3) any other funds made available to the district for the purposes of economic development within a global commerce center.

(c) Money in the fund may be used to:

(1) provide rent subsidies to businesses locating in the global commerce center; and

(2) maintain, improve, and expand economic development projects located in a global commerce center and the surrounding communities.

Sec. 20. A global commerce center expires fifteen (15) years after it is designated by the corporation.

SECTION 3. IC 6-2.5-4-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 5. (a) As used in this section, a "power subsidiary" means a corporation which is owned or controlled by one (1) or more public utilities that furnish or sell electrical energy, natural or artificial gas, water, steam, or steam heat and which produces power exclusively for the use of those public utilities.

(b) A power subsidiary or a person engaged as a public utility is a retail merchant making a retail transaction when the subsidiary or person furnishes or sells electrical energy, natural or artificial gas, water, steam, or steam heating service to a person for commercial or domestic consumption.

(c) Notwithstanding subsection (b), a power subsidiary or a person engaged as a public utility is not a retail merchant making a retail transaction in any of the following transactions:

(1) The power subsidiary or person provides, installs, constructs, services, or removes tangible personal property which is used in connection with the furnishing of the services or commodities listed in subsection (b).

(2) The power subsidiary or person sells the services or commodities listed in subsection (b) to another public utility or power subsidiary described in this section or a person described in section 6 of this chapter.

(3) The power subsidiary or person sells the services or commodities listed in subsection (b) to a person for use in manufacturing, mining, production, refining, oil extraction, mineral extraction, irrigation, agriculture, or horticulture. However, this exclusion for sales of the services and commodities only applies if the services are consumed as an essential and integral part of an integrated process that produces tangible personal property and those sales are separately metered for the excepted uses listed in this subdivision, or if those sales are not separately metered but are predominately used by the purchaser for the excepted uses listed in this subdivision.

(4) The power subsidiary or person sells the services or commodities listed in subsection (b) and all the following conditions are satisfied:

(A) The services or commodities are sold to a business that after June 30, 2004:

(i) relocates all or part of its operations to a facility; or

(ii) expands all or part of its operations in a facility;

located in a military base (as defined in IC 36-7-30-1(c)), a military base reuse area established under IC 36-7-30, an economic development area established under IC 36-7-14.5-12.5, ~~or~~ a military base recovery site designated under IC 6-3.1-11.5, **or a qualified military base enhancement area established under IC 36-7-34.**

(B) The business uses the services or commodities in the facility described in clause (A) not later than five (5) years after the operations that are relocated to the facility or expanded in the facility commence.

(C) The sales of the services or commodities are separately metered for use by the relocated or expanded operations.

(D) In the case of a business that uses the services or commodities in a qualified military base enhancement area, the business must satisfy at least one (1) of the following criteria:

(i) The business is a participant in the technology transfer program conducted by the qualified military base (as defined in IC 36-7-34-3).

(ii) The business is a United States Department of Defense contractor.

(iii) The business and the qualified military base have a mutually beneficial relationship evidenced by a memorandum of understanding between the business and the United States Department of Defense.

However, this subdivision does not apply to a business that substantially reduces or ceases its operations at another location in Indiana in order to relocate its operations in an area described in this subdivision, unless the department determines that the business had existing operations in the area described in this subdivision and that the operations relocated to the area are an expansion of the business's operations in the area.

SECTION 4. IC 6-3-2-1.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 1.5. (a) As used in this section, "qualified area" means:

(1) a military base (as defined in IC 36-7-30-1(c));

(2) a military base reuse area established under IC 36-7-30;

(3) an economic development area established under IC 36-7-14.5-12.5; ~~or~~

(4) a military base recovery site designated under IC 6-3.1-11.5;

or

(5) a qualified military base enhancement area established under IC 36-7-34.

(b) Except as provided in subsection (c), a tax at the rate of five percent (5%) of adjusted gross income is imposed on that part of the adjusted gross income of a corporation that is derived from sources within a qualified area if the corporation locates all or part of its operations in a qualified area during the taxable year, as determined under subsection (e). The tax rate under this section applies to the taxable year in which the corporation locates its operations in the qualified area and to the next succeeding four (4) taxable years. **In the case of a corporation that locates all or part of its operations in a qualified military base enhancement area, the tax rate imposed under this section applies to the corporation only if the corporation meets at least one (1) of the following criteria:**

(1) The corporation is a participant in the technology transfer program conducted by the qualified military base (as defined in IC 36-7-34-3).

(2) The corporation is a United States Department of Defense contractor.

(3) The corporation and the qualified military base have a mutually beneficial relationship evidenced by a memorandum of understanding between the corporation and the United States Department of Defense.

(c) A taxpayer is not entitled to the tax rate described in subsection (b) to the extent that the taxpayer substantially reduces or ceases its operations at another location in Indiana in order to relocate its operations within the qualified area, unless:

(1) the taxpayer had existing operations in the qualified area; and

(2) the operations relocated to the qualified area are an expansion of the taxpayer's operations in the qualified area.

(d) A determination under subsection (c) that a taxpayer is not entitled to the tax rate provided by this section as a result of a substantial reduction or cessation of operations applies to the taxable year in which the substantial reduction or cessation occurs and in all subsequent years. Determinations under this section shall be made by the department of state revenue.

(e) The department of state revenue:

(1) shall adopt rules under IC 4-22-2 to establish a procedure for determining the part of a corporation's adjusted gross income that was derived from sources within a qualified area; and

(2) may adopt other rules that the department considers necessary for the implementation of this chapter.

SECTION 5. IC 6-3.1-11.6-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 2. As used in this chapter, "qualified area" means:

(1) a military base (as defined in IC 36-7-30-1(c));

(2) a military base reuse area established under IC 36-7-30;

(3) an economic development area established under IC 36-7-14.5-12.5; ~~or~~

(4) a military base recovery site designated under IC 6-3.1-11.5; **or**

(5) a qualified military base enhancement area established under IC 36-7-34.

SECTION 6. IC 6-3.1-11.6-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 9. (a) **Subject to subsection (c),** a taxpayer is entitled to a credit against the taxpayer's state tax liability for a taxable year if the taxpayer makes a qualified investment in that taxable year.

(b) The amount of the credit to which a taxpayer is entitled is the percentage determined under section 12 of this chapter multiplied by the amount of the qualified investment made by the taxpayer during the taxable year.

(c) This subsection applies to a taxpayer making a qualified investment in a business located in a qualified military base enhancement area. To qualify for a credit under this chapter, the taxpayer's qualified investment must be in a business that satisfies at least one (1) of the following criteria:

(1) The business is a participant in the technology transfer program conducted by the qualified military base (as defined in IC 36-7-34-3).

(2) The business is a United States Department of Defense contractor.

(3) The business and the qualified military base have a mutually beneficial relationship evidenced by a memorandum of understanding between the business and the United States Department of Defense.".

Page 3, between lines 39 and 40, begin a new paragraph and insert:

"SECTION 11. IC 36-7-30.5 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]:

Chapter 30.5. Development of Multicounty Federal Military Bases

Sec. 1. This chapter applies only to a military base that is located in more than two (2) counties.

Sec. 2. As used in sections 23 and 29 of this chapter, "bonds" means bonds, notes, evidences of indebtedness, or other obligations issued by the development authority in the name of a unit.

Sec. 3. As used in this chapter, "council" refers to the military base planning council established under IC 4-3-21-3.

Sec. 4. As used in this chapter, "development authority" means a military base development authority established under section 8 of this chapter.

Sec. 5. As used in this chapter, "military base" means a United States government military base or other military installation that is:

(1) scheduled for closing or realignment; or

(2) completely or partially inactive or closed.

Sec. 6. As used in this chapter, "military base property" means real and personal property that is currently or was formerly part of a military base and is subject to development or reuse.

Sec. 7. (a) The planning, replanning, rehabilitation, development, redevelopment, and other preparation for development or reuse of military bases and military base property are public and governmental functions that cannot be accomplished through the ordinary operations of private enterprise because of the following:

(1) The provisions of federal law that provide for the expeditious and affordable transfer of military base property to an entity established by local government for these purposes.

(2) The necessity for requiring the proper use of the land to best serve the interests of the unit and its citizens.

(3) The costs of the projects.

(b) The planning, replanning, rehabilitation, development, redevelopment, and other preparation for development or reuse will do the following:

(1) Benefit the public health, safety, morals, and welfare.

(2) Increase the economic well-being of counties represented on the development authority and the state.

(3) Serve to protect and increase property values in the counties represented on the development authority and the state.

(c) The planning, replanning, rehabilitation, development, redevelopment, and other preparation for development or reuse of military bases and military base property under this chapter are public uses and purposes for which public money may be spent and private property may be acquired.

(d) A development authority and all appropriate units shall, to the extent feasible under this chapter and consistent with the needs of the development authority and the units, provide a maximum opportunity for development or reuse of federal military bases by private enterprise or state and local government.

(e) This section shall be liberally construed to carry out the purposes of this section.

Sec. 8. (a) If the council, by the affirmative votes of a majority of the voting members of the council, votes to require that a development authority should be established under this chapter, the development authority shall be established.

(b) A unit may not create a reuse authority under IC 36-7-30 for all or part of a military base that is:

(1) governed by this chapter; and

(2) located within the boundaries of the unit.

Sec. 9. A development authority established under this chapter shall be governed by a board of nine (9) members to be known as the "Crane Development Authority".

Sec. 10. (a) The nine (9) members of a development authority shall be appointed as follows:

(1) Two (2) members shall be appointed by the county executive of Greene County.

(2) Two (2) members shall be appointed by the county executive of Lawrence County.

(3) Two (2) members shall be appointed by the county executive of Martin County.

(4) One (1) member shall be appointed by the county executive of Daviess County.

(5) One (1) member shall be appointed by the county executive of Monroe County.

(6) One (1) member shall be appointed by the county executive of Orange County.

Sec. 11. (a) Each member of a military base development authority shall serve the longer of:

(1) three (3) years beginning with the first day of January after the member's appointment; or

(2) until the member's successor has been appointed and qualified.

If a vacancy occurs, a successor shall be appointed in the same manner as the original member. The successor shall serve for the remainder of the vacated term.

(b) Each member of a development authority, before beginning the member's duties, shall take and subscribe an oath of office in the usual form, to be endorsed on the certificate of the member's appointment. The endorsed certificate must be promptly filed with the clerk for the unit that the member serves.

(c) Each member of a development authority, before beginning the member's duties, shall execute a bond payable to the state, with surety to be approved by the executive of the unit. The bond must be:

(1) in the penal sum of fifteen thousand dollars ($15,000); and

(2) conditioned on the faithful performance of the duties of the member's office and the accounting for all money and property that may come into the member's hands or under the member's control.

(d) A member of a development authority must be:

(1) at least eighteen (18) years of age; and

(2) a resident of the county responsible for the member's appointment.

(e) If a member ceases to be qualified under this section, the member forfeits the member's office.

(f) Members of a development authority are not entitled to salaries but are entitled to reimbursement for expenses necessarily incurred in the performance of their duties.

Sec. 12. (a) The development authority members shall hold a meeting for the purpose of organization not later than thirty (30) days after they are appointed and, after that, each year on the first day in January that is not a Saturday, Sunday, or legal holiday. The members shall choose one (1) of their members as president, another as vice president, and another as secretary-treasurer. These officers shall perform the duties usually concerning their offices and shall serve from the date of their election until their successors are elected and qualified.

(b) Except as otherwise provided in this chapter, the secretary-treasurer shall be responsible for the funds and accounts of the development authority. The development authority may:

(1) employ personnel for compensation to assist the secretary-treasurer; or

(2) designate or appoint a fiscal officer of a county responsible for appointing one (1) or more development authority members to perform the duties that are delegated by the development authority and accepted by the fiscal officer.

(c) The members of a development authority may adopt rules and bylaws the members consider necessary for:

(1) the proper conduct of proceedings;

(2) carrying out of the members' duties; and

(3) safeguarding the money and property placed in the members' custody by this chapter.

In addition to the annual meeting, the members may by resolution or in accordance with the rules and bylaws prescribe the date and manner of notice of other regular or special meetings.

(d) Five (5) members of the development authority constitute a quorum. The concurrence of five (5) members is necessary to authorize an action.

Sec. 13. A member of a military base development authority may be summarily removed from office at any time by the county executive that appointed the member.

Sec. 14. The development authority shall do the following:

(1) Investigate, study, and survey the area surrounding and the real property and structures that are part of the military base.

(2) Investigate, study, and determine the means by which military base property may be developed or reused by private enterprise to promote economic development within counties represented on the development authority or by state and local government to otherwise benefit the welfare of the citizens of the counties represented on the development authority.

(3) Promote the development of military base property in the manner that best serves the interests of the state and its inhabitants.

(4) Cooperate with the departments and agencies of units and of other governmental entities, including the state and the federal government, in the manner that best serves the purposes of this chapter.

(5) Make findings and reports on their activities under this section, and keep the reports available for inspection by the public.

(6) Select and acquire military base property to be developed or reused by private enterprise or state or local government under this chapter.

(7) Transfer acquired military base property and other real and personal property to private enterprise or state or local government in the manner that best serves the social and economic interests of the state and the state's inhabitants.

(8) Consider recommendations made by the council concerning the operations of the development authority.

Sec. 15. The development authority may do the following:

(1) Acquire by purchase, exchange, gift, grant, condemnation, or lease, or any combination of methods, any personal military base property or interest in real military base property or other real or personal property located within the corporate boundaries of a unit that contains all or part of the military base.

(2) Hold, use, sell (by conveyance by deed, land sale contract, or other instrument), exchange, lease, rent, or otherwise dispose of real or personal military base property or other real and personal property to private enterprise or state or local government, on the terms and conditions that the development authority considers best for the state and the state's inhabitants.

(3) Sell, lease, or grant interests in all or part of the real property acquired from a military base to a department of a unit or to any other governmental agency for public ways, levees, sewerage, parks, playgrounds, schools, and other public purposes on any terms that may be agreed on.

(4) Clear real property acquired for the purposes of this chapter.

(5) Repair and maintain structures acquired for the purposes of this chapter.

(6) Remodel, rebuild, enlarge, or make major structural improvements on structures acquired from a military base.

(7) Survey or examine any land to determine whether it should be acquired for the purpose of this chapter and to determine the value of the land.

(8) Appear before any other department or agency of a unit or any other governmental agency in respect to any matter affecting:

(A) real property acquired or being acquired for the

purposes of this chapter; or
(B) any development area within the jurisdiction of the development authority.
(9) Institute or defend in the name of the development authority any civil action.
(10) Use any legal or equitable remedy that is necessary or considered proper to protect and enforce the rights of and perform the duties of the development authority.
(11) Exercise the power of eminent domain within military base property in the manner prescribed by section 21 of this chapter.
(12) Appoint an executive director, appraisers, real estate experts, engineers, architects, surveyors, attorneys, accountants, and other consultants that are necessary or desired by the authority in exercising its powers or carrying out its responsibilities under this chapter.
(13) Appoint clerks, guards, laborers, and other employees the development authority considers advisable.
(14) Prescribe the duties and regulate the compensation of employees of the development authority.
(15) Provide a pension and retirement system for employees of the development authority.
(16) Discharge and appoint successors to employees of the development authority.
(17) Rent offices for use of the development authority or accept the use of offices furnished by a unit.
(18) Equip the offices of the development authority with the necessary furniture, furnishings, equipment, records, and supplies.
(19) Expend on behalf of the counties represented on the development authority all or any part of the money of the development authority.
(20) Design, order, contract for, construct, reconstruct, improve, or renovate the following:
(A) Local public improvements or structures that are necessary for the development of military base property.
(B) Any structure that enhances the development, economic development, or reuse of military base property.
(21) Accept loans, grants, and other forms of financial assistance from the federal government, the state government, a municipal corporation, a special taxing district, a foundation, or any other source.
(22) Provide financial assistance, in the manner that best serves the purposes of this chapter, including grants and loans, to enable private enterprise to develop, redevelop, and reuse military base property or otherwise enable private enterprise to provide social and economic benefits to the citizens of the state.
(23) Enter into contracts for providing police, fire protection, and utility services to the military base development area.
(24) Make and enter into all contracts and agreements necessary or incidental to the performance of the duties of the development authority and the execution of the power of the development authority under this chapter.
(25) Adopt a seal.
(26) Take any action necessary to implement the purposes of the development authority.

Sec. 16. (a) The development authority shall adopt a plan for the:
(1) rehabilitation;
(2) development;
(3) redevelopment; and
(4) reuse;
of military base property to be acquired from the federal government upon the closure or scheduled closure of the military base.

(b) In conjunction with the plan adopted under subsection (a), the development authority may adopt a resolution declaring that a geographic area is a military base development area and approving the plan if it makes the following findings:
(1) All or part of a military base is located in the military base development area.
(2) The plan for the military base development area will accomplish the public purposes of this chapter, supported by specific findings of fact to be adopted by the development authority.
(3) The public health and welfare will be benefitted by accomplishment of the plan for the military base development area.
(4) The plan for the military base development area conforms to other development and redevelopment plans for the counties represented on the development authority.

(c) A military base development area may include territory within military base property. However, a military base development area may not include any area of land that constitutes part of an economic development area, a blighted area, or an urban renewal area under IC 36-7-14.

(d) The resolution must state:
(1) the general boundaries of the area; and
(2) that the development authority proposes to acquire all the interests in the land within the boundaries, with certain designated exceptions, if any.

(e) For the purpose of adopting a resolution under subsection (b), it is sufficient to describe the boundaries of the area by its location in relation to public ways or streams, or otherwise, as determined by the development authority. Property excepted from the acquisition may be described by street numbers or location.

Sec. 17. (a) After adoption of a resolution under section 16 of this chapter, the development authority shall submit the resolution and supporting data to the plan commission of an affected unit or other body charged with the duty of developing a general plan for the unit, if there is such a body. The plan commission may determine whether the resolution and the development plan conform to the plan of development for the unit and approve or disapprove the resolution and plan proposed. The development authority may amend or modify the resolution and proposed plan to conform to the requirements of a plan commission. A plan commission shall issue a written order approving or disapproving the resolution and military base development plan, and may with the consent of the development authority rescind or modify the order.

(b) The determination that a geographic area is a military base development area must be approved by an affected unit's legislative body.

(c) After receipt of all orders and approvals required under subsections (a) and (b), the development authority shall publish notice of the adoption and the substance of the resolution in accordance with IC 5-3-1. The notice must name a date when the development authority will receive and hear remonstrances and objections from persons interested in or affected by the proceedings concerning the proposed project and will determine the public utility and benefit of the proposed project. All persons affected in any manner by the hearing shall be considered notified of the pendency of the hearing and of subsequent acts, hearings, adjournments, and orders of the development authority by the notice given under this section.

(d) At the hearing under subsection (c), which may be adjourned from time to time, the development authority shall:
(1) hear all persons interested in the proceedings; and
(2) consider all written remonstrances and objections that have been filed.
After considering the evidence presented, the development authority shall take final action determining the public utility and benefit of the proposed project, and confirming, modifying and confirming, or rescinding the resolution. The final action taken by the development authority is final and conclusive, except that an appeal may be taken in the manner prescribed by section 19 of this chapter.

Sec. 18. (a) The development authority must conduct a public hearing before amending a resolution or plan for a military base development area. The development authority shall give notice of the hearing in accordance with IC 5-3-1. The notice must do the following:
(1) Set forth the substance of the proposed amendment.
(2) State the time and place where written remonstrances

against the proposed amendment may be filed.

(3) Set forth the date, time, and place of the hearing.

(4) State that the development authority will hear any person who has filed a written remonstrance during the filing period set forth in subdivision (2).

(b) For the purposes of this section, the consolidation of areas is not considered the enlargement of the boundaries of an area.

(c) If the development authority proposes to amend a resolution or plan, the development authority is not required to have evidence or make findings that were required for the establishment of the original military base development area. However, the development authority must make the following findings before approving the amendment:

(1) The amendment is reasonable and appropriate when considered in relation to the original resolution or plan and the purposes of this chapter.

(2) The resolution or plan, with the proposed amendment, conforms to the comprehensive plan for an affected unit.

(d) Notwithstanding subsections (a) and (c), if the resolution or plan is proposed to be amended in a way that enlarges the original boundaries of the area by more than twenty percent (20%), the development authority must use the procedure provided for the original establishment of areas and must comply with sections 16 through 17 of this chapter.

(e) At the hearing on the amendments, the development authority shall consider written remonstrances that are filed. The action of the development authority on the amendment is final and conclusive, except that an appeal of the development authority's action may be taken under section 19 of this chapter.

Sec. 19. (a) A person who filed a written remonstrance with the development authority under section 17 or 18 of this chapter and is aggrieved by the final action taken may, not more than ten (10) days after that final action, file in the office of the clerk of an appropriate circuit or superior court a copy of the order of the development authority and person's remonstrances against that order, together with the person's bond conditioned to pay the costs of the person's appeal if the appeal is determined against the person. The only ground of remonstrance that the court may hear is whether the proposed project will be of public utility and benefit. The burden of proof is on the remonstrator.

(b) An appeal under this section shall be promptly heard by the court without a jury. All remonstrances upon which an appeal has been taken shall be consolidated and heard and determined not more than thirty (30) days after the time of the filing of the appeal. The court shall hear evidence on the remonstrances and may confirm the final action of the development authority or sustain the remonstrances. The judgment of the court is final and conclusive, unless an appeal is taken as in other civil actions.

Sec. 20. (a) If:

(1) an appeal is not taken; or

(2) an appeal is taken but is unsuccessful;

the development authority shall proceed with the plan to the extent that money is available for that purpose.

(b) Negotiations for the purchase of property may be carried on directly by the development authority, by its employees, or by expert negotiators. However, an option, a contract, or an understanding relative to the purchase of real property is not binding on the development authority until approved and accepted by the development authority in writing. Payment for the property purchased shall be made when and as directed by the development authority but only on delivery of proper instruments conveying the title or interest of the owner to the development authority or its designee.

(c) The acquisition of real and personal property by the development authority under this chapter is not subject to the provisions of IC 5-22, IC 36-1-10.5, or any other statutes governing the purchase of property by public bodies or their agencies.

Sec. 21. (a) If the development authority considers it necessary to acquire real property in or serving a development area by the exercise of the power of eminent domain, the development authority shall adopt a resolution setting out its determination to exercise that power and directing its attorney to file a petition on behalf of the development authority in the circuit or superior court of the county in which the property is situated. The resolution must be approved by the legislative body of the affected unit before the petition is filed.

(b) Eminent domain proceedings under this section are governed by IC 32-24 and other applicable statutory provisions for the exercise of the power of eminent domain. Property already devoted to a public use may be acquired under this section. However, property belonging to the state or a political subdivision may not be acquired without the consent of the state or the political subdivision.

(c) The court having jurisdiction shall direct the clerk of the circuit court to execute a deed conveying the title of real property acquired under this section to the development authority for the use and benefit of the development authority.

Sec. 22. (a) The development authority may proceed with the clearing and replanning of the area described in the resolution before the acquisition of all of the area. The development authority may also proceed with the repair and maintenance of buildings that have been acquired and are not to be cleared. This clearance, repair, and maintenance may be carried out by labor employed directly by the development authority or by contract. Contracts for clearance may provide that the contractor is entitled to retain and dispose of salvaged material, as a part of the contract price or on the basis of stated prices for the amounts of the various materials actually salvaged.

(b) All contracts for material or labor under this section shall be let under IC 36-1.

(c) To the extent the development authority undertakes to engage in the planning and rezoning of the real property acquired, in the opening, closing, relocation, and improvement of public ways, and in the construction, relocation, and improvement of levees, sewers, parking facilities, and utility services, the development authority shall proceed in the same manner as private owners of the property. The development authority may negotiate with the proper officers and agencies of the unit to secure the proper orders, approvals, and consents.

(d) Construction work required in connection with improvements in the area described in the resolution may be carried out by the following:

(1) The appropriate municipal or county department or agency.

(2) The development authority, if:

(A) all plans, specifications, and drawings are approved by the appropriate department or agency; and

(B) the statutory procedures for the letting of contracts by the appropriate department or agency are followed by the development authority.

(e) The development authority may pay any charges or assessments made on account of orders, approvals, consents, and construction work under this section, or may agree to pay the assessments in installments as provided by statute in the case of private owners. The development authority may do the following:

(1) By special waiver filed with the appropriate municipal works board or county executive, waive the statutory procedure and notices required by law in order to create valid liens on private property.

(2) Cause any assessments to be spread on a different basis than that provided by statute.

(f) The real property acquired under this chapter may not be set aside and dedicated for public ways, parking facilities, sewers, levees, parks, or other public purposes until the development authority has obtained the consent and approval of the department or agency under whose jurisdiction the property will be placed.

(g) The development authority may negotiate for the sale, lease, or other disposition of real and personal property without complying with the provisions of IC 36-1-11 or any other statute governing the disposition of public property. A conveyance under this section may not be made until the agreed consideration has been paid, unless the development authority passes a resolution expressly providing that the consideration does not have to be paid before the conveyance is made. The resolution may provide for a mortgage or other security. All deeds, leases, land sale

contracts, or other conveyances shall be:

(1) executed in the name of the development authority; and

(2) signed by the president or vice president of the development authority and attested by the secretary-treasurer.

A seal is not required on these instruments or any other instruments executed in the name of the development authority. Proceeds from the sale, lease, or other disposition of property may be deposited in any fund and used for any purpose allowed under this chapter, as directed by the development authority.

Sec. 23. (a) In addition to other methods of raising money for property acquisition, redevelopment, reuse, or economic development activities in or directly serving or benefitting a military base development area, and in anticipation of the taxes allocated under section 30 of this chapter, other revenues of the district, or any combination of these sources, the development authority may by resolution issue the bonds of the development authority.

(b) The secretary-treasurer of the development authority shall prepare the bonds. The seal of the development authority must be impressed on the bonds or a facsimile of the seal must be printed on the bonds.

(c) The bonds must be executed by the president of the development authority and attested by the secretary-treasurer.

(d) The bonds are exempt from taxation for all purposes.

(e) Bonds issued under this section may be sold at public sale in accordance with IC 5-1-11 or at a negotiated sale.

(f) The bonds are not a corporate obligation of a unit but are an indebtedness of only the development authority. The bonds and interest are payable, as set forth in the bond resolution of the development authority, from any of the following:

(1) The tax proceeds allocated under section 30 of this chapter.

(2) Other revenues available to the development authority.

(3) A combination of the methods stated in subdivisions (1) through (2).

The bonds issued under this section may be issued in any amount without limitation.

(g) Proceeds from the sale of bonds may be used to pay the cost of interest on the bonds for a period not to exceed five (5) years after the date of issuance.

(h) All laws relating to the filing of petitions requesting the issuance of bonds and the right of taxpayers to remonstrate against the issuance of bonds do not apply to bonds issued under this chapter.

(i) If a debt service reserve is created from the proceeds of bonds, the debt service reserve may be used to pay principal and interest on the bonds as provided in the bond resolution.

(j) If bonds are issued under this chapter that are payable solely or in part from revenues of the development authority, the development authority may adopt a resolution or trust indenture or enter into covenants as is customary in the issuance of revenue bonds. The resolution or trust indenture may pledge or assign revenues of the development authority and properties becoming available to the development authority under this chapter. The resolution or trust indenture may also contain provisions for protecting and enforcing the rights and remedies of the bond owners as may be reasonable and proper and not in violation of law, including a covenant setting forth the duties of the development authority. The development authority may establish fees and charges for the use of any project and covenant with the owners of any bonds to set the fees and charges at a rate sufficient to protect the interest of the owners of the bonds. Revenue bonds issued by the development authority that are payable solely from revenues of the development authority shall contain a statement to that effect in the form of the bond.

Sec. 24. (a) A development authority may enter into a lease of any property that could be financed with the proceeds of bonds issued under this chapter with a lessor for a term of not more than fifty (50) years. The lease may provide for payments to be made by the development authority from taxes allocated under section 30 of this chapter, any other revenues available to the development authority, or any combination of these sources.

(b) A lease may provide that payments by the development authority to the lessor are required only to the extent and only for the period that the lessor is able to provide the leased facilities in accordance with the lease. The terms of each lease must be based upon the value of the facilities leased and may not create a debt of the unit or the district for purposes of the Constitution of the State of Indiana.

(c) A lease may be entered into by the development authority only after a public hearing by the development authority at which all interested parties are provided the opportunity to be heard. After the public hearing, the development authority may adopt a resolution authorizing the execution of the lease on behalf of the unit if the development authority finds that the service to be provided throughout the term of the lease will serve the public purpose of the unit and is in the best interests of its residents. Any lease approved by a resolution of the development authority must be approved by the fiscal body of the appropriate unit.

(d) A development authority entering into a lease payable from allocated taxes under section 30 of this chapter or other available funds of the development authority may do the following:

(1) Pledge the revenue to make payments under the lease under IC 5-1-14-4.

(2) Establish a special fund to make the payments.

(e) Lease payments may be limited to money in the special fund so that the obligations of the development authority to make the lease rental payments are not considered a debt of a unit or the district for purposes of the Constitution of the State of Indiana.

(f) Except as provided in this section, approvals of any governmental body or agency are not required before the development authority may enter into a lease under this section.

(g) If a development authority exercises an option to buy a leased facility from a lessor, the development authority may subsequently sell the leased facility, without regard to any other statute, to the lessor at the end of the lease term at a price set forth in the lease or at fair market value established at the time of the sale by the development authority through auction, appraisal, or negotiation. If the facility is sold at auction, after appraisal or through negotiation, the development authority shall conduct a hearing after public notice in accordance with IC 5-3-1 before the sale. Any action to contest the sale must be brought not more than fifteen (15) days after the hearing.

(h) Notwithstanding this section, a development authority may negotiate and enter into leases of property from the United States or any department or agency of the United States without complying with the requirements of this section.

Sec. 25. (a) Any of the following persons may lease facilities referred to in section 24 of this chapter to a development authority under this chapter:

(1) A for-profit or nonprofit corporation organized under Indiana law or admitted to do business in Indiana.

(2) A partnership, an association, a limited liability company, or a firm.

(3) An individual.

(4) A redevelopment authority established under IC 36-7-14.5.

(b) Notwithstanding any other law, a lessor under this section and section 24 of this chapter is a qualified entity for purposes of IC 5-1.4.

(c) Notwithstanding any other law, a military base development facility leased by the development authority under this chapter from a lessor borrowing bond proceeds from a unit under IC 36-7-12 is an economic development facility for purposes of IC 36-7-11.9-3 and IC 36-7-12.

(d) Notwithstanding IC 36-7-12-25 and IC 36-7-12-26, payments by a development authority to a lessor described in subsection (c) may be made from sources set forth in section 24 of this chapter if the payments and the lease are structured to prevent the lease obligation from constituting a debt of a unit or the district for purposes of the Constitution of the State of Indiana.

Sec. 26. (a) Notwithstanding any other law, the legislative body of a unit may pledge revenues received or to be received by the unit from:

(1) the unit's distributive share of the county adjusted gross income tax under IC 6-3.5-1.1;

(2) the unit's distributive share of the county option income tax under IC 6-3.5-6;
(3) the unit's distributive share of the county economic development income tax under IC 6-3.5-7;
(4) any other source legally available to the unit for the purposes of this chapter; or
(5) any combination of revenues under subdivisions (1) through (4);

in any amount to pay amounts payable under section 23 or 24 of this chapter.

(b) The legislative body may covenant to adopt an ordinance to increase its tax rate under the county adjusted gross income tax, county option income tax, county economic development income tax, or any other revenues at the time it is necessary to raise funds to pay any amounts payable under section 23 or 24 of this chapter.

(c) The development authority may pledge revenues received or to be received from any source legally available to the development authority for the purposes of this chapter in any amount to pay amounts payable under section 23 or 24 of this chapter.

(d) The pledge or covenant under this section may be for:
(1) the term of the bonds issued under section 23 of this chapter;
(2) the term of a lease entered into under section 24 of this chapter; or
(3) for a shorter period as determined by the legislative body.

Money pledged by the legislative body under this section shall be considered revenues or other money available to the development authority under sections 23 through 24 of this chapter.

(e) The general assembly covenants not to impair this pledge or covenant as long as any bonds issued under section 23 of this chapter are outstanding or as long as any lease entered into under section 24 of this chapter is still in effect. The pledge or covenant shall be enforced as provided in IC 5-1-14-4.

Sec. 27. (a) All proceeds from the sale of bonds under section 23 of this chapter shall be kept as a separate and specific fund to pay the expenses incurred in connection with the property acquisition, redevelopment, reuse, and economic development of the military base development area. The fund shall be known as the military base development district capital fund.

(b) All gifts or donations that are given or paid to the development authority or to a unit for military base development purposes shall be promptly deposited to the credit of the military base development district general fund unless otherwise directed by the grantor. The development authority may use these gifts and donations for the purposes of this chapter.

Sec. 28. (a) All payments from any of the funds established by this chapter shall be made by warrants drawn by the secretary-treasurer or the secretary-treasurer's agent under section 12 of this chapter on vouchers of the development authority signed by the president or vice president and the secretary-treasurer or executive director. An appropriation is not necessary, but all money raised under this chapter is considered appropriated to the respective purposes stated and is under the control of the development authority. The development authority has complete and exclusive authority to expend the money for the purposes provided.

(b) Each fund established by this chapter is a continuing fund.

Sec. 29. (a) To finance activities authorized under this chapter, the development authority may apply for and accept advances, short term and long term loans, grants, contributions, and any other form of financial assistance from the federal government, or from any of its agencies. The development authority may also enter into and carry out contracts and agreements in connection with that financial assistance upon the terms and conditions that the development authority considers reasonable and appropriate, if those terms and conditions are not inconsistent with the purposes of this chapter. The provisions of a contract or an agreement in regard to the handling, deposit, and application of project funds, as well as all other provisions, are valid and binding on the development authority, notwithstanding any other provision of this chapter.

(b) The development authority may issue and sell bonds, notes, or warrants to the federal government to evidence short term or long term loans made under this section, without notice of sale being given or a public offering being made.

(c) Notwithstanding the provisions of this chapter or any other law, the bonds, notes, or warrants issued by the development authority under this section may:
(1) be in the amounts, form, or denomination;
(2) be either coupon or registered;
(3) carry conversion or other privileges;
(4) have a rank or priority;
(5) be of such description;
(6) be secured, subject to other provisions of this section, in such manner;
(7) bear interest at a rate or rates;
(8) be payable as to both principal and interest in a medium of payment, at time or times, which may be upon demand, and at a place or places;
(9) be subject to terms of redemption, with or without premium;
(10) contain or be subject to any covenants, conditions, and provisions; and
(11) have any other characteristics;

that the development authority considers reasonable and appropriate.

(d) Bonds, notes, or warrants issued under this section are not an indebtedness of a unit or taxing district within the meaning of any constitutional or statutory limitation of indebtedness. The bonds, notes, or warrants are not payable from or secured by a levy of taxes, but are payable only from and secured only by any combination of:
(1) income;
(2) funds;
(3) properties of the project becoming available to the development authority under this chapter; or
(4) any other legally available revenues of the development authority;

as the development authority specifies in the resolution authorizing their issuance.

(e) Bonds, notes, or warrants issued under this section are exempt from taxation for all purposes.

(f) Bonds, notes, or warrants issued under this section must be executed by the appropriate officers of a development authority and must be attested by the appropriate officers of a development authority.

(g) Following the adoption of the resolution authorizing the issuance of bonds, notes, or warrants under this section, the development authority shall certify a copy of that resolution to the officers who have duties with respect to bonds, notes, or warrants of the development authority. At the proper time, the development authority shall deliver to the officers the unexecuted bonds, notes, or warrants prepared for execution in accordance with the resolution.

(h) All bonds, notes, or warrants issued under this section shall be sold by the officers of a development authority who have duties with respect to the sale of bonds, notes, or warrants of the development authority. If an officer whose signature appears on any bonds, notes, or warrants issued under this section leaves office before their delivery, the signature remains valid and sufficient for all purposes as if the officer had remained in office until the delivery.

(i) If at any time during the life of a loan contract or agreement under this section the development authority may obtain loans for the purposes of this section from sources other than the federal government at interest rates not less favorable than provided in the loan contract or agreement, and if the loan contract or agreement allows, the development authority may do so and may pledge the loan contract and any rights under the contract as security for the repayment of the loans obtained from other sources. A loan under this subsection may be evidenced by bonds, notes, or warrants issued and secured in the same manner as provided in this section for loans from the federal government. The bonds, notes, or warrants may be sold at either public or private sale, as the development authority considers appropriate.

(j) Money obtained from the federal government or from other sources under this section, and money that is required by a contract or an agreement under this section to be used for project expenditure purposes, repayment of survey and planning advances, or repayment of temporary or definitive loans, may be expended by the development authority without regard to any law concerning the making and approval of budgets, appropriations, and expenditures.

(k) Bonds, notes, or warrants issued under this section are declared to be issued for an essential public and governmental purpose.

Sec. 30. (a) The following definitions apply throughout this section:

(1) "Allocation area" means that part of a military base development area to which an allocation provision of a declaratory resolution adopted under section 16 of this chapter refers for purposes of distribution and allocation of property taxes.

(2) "Base assessed value" means:

(A) the net assessed value of all the property as finally determined for the assessment date immediately preceding the adoption date of the allocation provision of the declaratory resolution, as adjusted under subsection (h); plus

(B) to the extent that it is not included in clause (A) or (C), the net assessed value of any and all parcels or classes of parcels identified as part of the base assessed value in the declaratory resolution or an amendment to the declaratory resolution, as finally determined for any subsequent assessment date; plus

(C) to the extent that it is not included in clause (A) or (B), the net assessed value of property that is assessed as residential property under the rules of the department of local government finance, as finally determined for any assessment date after the effective date of the allocation provision.

(3) "Property taxes" means taxes imposed under IC 6-1.1 on real property.

(b) A declaratory resolution adopted under section 16 of this chapter before the date set forth in IC 36-7-14-39(b) pertaining to declaratory resolutions adopted under IC 36-7-14-15 may include a provision with respect to the allocation and distribution of property taxes for the purposes and in the manner provided in this section. A declaratory resolution previously adopted may include an allocation provision by the amendment of that declaratory resolution in accordance with the procedures set forth in section 18 of this chapter. The allocation provision may apply to all or part of the military base development area. The allocation provision must require that any property taxes subsequently levied by or for the benefit of any public body entitled to a distribution of property taxes on taxable property in the allocation area be allocated and distributed as follows:

(1) Except as otherwise provided in this section, the proceeds of the taxes attributable to the lesser of:

(A) the assessed value of the property for the assessment date with respect to which the allocation and distribution is made; or

(B) the base assessed value;

shall be allocated to and, when collected, paid into the funds of the respective taxing units.

(2) Except as otherwise provided in this section, property tax proceeds in excess of those described in subdivision (1) shall be allocated to the development authority and, when collected, paid into an allocation fund for that allocation area that may be used by the development authority and only to do one (1) or more of the following:

(A) Pay the principal of and interest and redemption premium on any obligations incurred by the development authority or any other entity for the purpose of financing or refinancing military base development or reuse activities in or directly serving or benefitting that allocation area.

(B) Establish, augment, or restore the debt service reserve for bonds payable solely or in part from allocated tax proceeds in that allocation area or from other revenues of the development authority, including lease rental revenues.

(C) Make payments on leases payable solely or in part from allocated tax proceeds in that allocation area.

(D) Reimburse any other governmental body for expenditures made for local public improvements (or structures) in or directly serving or benefitting that allocation area.

(E) Pay all or a part of a property tax replacement credit to taxpayers in an allocation area as determined by the development authority. This credit equals the amount determined under the following STEPS for each taxpayer in a taxing district (as defined in IC 6-1.1-1-20) that contains all or part of the allocation area:

STEP ONE: Determine that part of the sum of the amounts under IC 6-1.1-21-2(g)(1)(A), IC 6-1.1-21-2(g)(2), IC 6-1.1-21-2(g)(3), IC 6-1.1-21-2(g)(4), and IC 6-1.1-21-2(g)(5) that is attributable to the taxing district.

STEP TWO: Divide:

(i) that part of each county's eligible property tax replacement amount (as defined in IC 6-1.1-21-2) for that year as determined under IC 6-1.1-21-4 that is attributable to the taxing district; by

(ii) the STEP ONE sum.

STEP THREE: Multiply:

(i) the STEP TWO quotient; by

(ii) the total amount of the taxpayer's taxes (as defined in IC 6-1.1-21-2) levied in the taxing district that have been allocated during that year to an allocation fund under this section.

If not all the taxpayers in an allocation area receive the credit in full, each taxpayer in the allocation area is entitled to receive the same proportion of the credit. A taxpayer may not receive a credit under this section and a credit under section 32 of this chapter in the same year.

(F) Pay expenses incurred by the development authority for local public improvements or structures that were in the allocation area or directly serving or benefitting the allocation area.

(G) Reimburse public and private entities for expenses incurred in training employees of industrial facilities that are located:

(i) in the allocation area; and

(ii) on a parcel of real property that has been classified as industrial property under the rules of the department of local government finance.

However, the total amount of money spent for this purpose in any year may not exceed the total amount of money in the allocation fund that is attributable to property taxes paid by the industrial facilities described in this clause. The reimbursements under this clause must be made not more than three (3) years after the date on which the investments that are the basis for the increment financing are made.

The allocation fund may not be used for operating expenses of the development authority.

(3) Except as provided in subsection (g), before July 15 of each year the development authority shall do the following:

(A) Determine the amount, if any, by which property taxes payable to the allocation fund in the following year will exceed the amount of property taxes necessary to make, when due, principal and interest payments on bonds described in subdivision (2) plus the amount necessary for other purposes described in subdivision (2).

(B) Notify the appropriate county auditor of the amount, if any, of the amount of excess property taxes that the development authority has determined may be paid to the respective taxing units in the manner prescribed in subdivision (1). The development authority may not authorize a payment to the respective taxing units under this subdivision if to do so would endanger the interest of the holders of bonds described in subdivision (2) or

lessors under section 24 of this chapter. Property taxes received by a taxing unit under this subdivision are eligible for the property tax replacement credit provided under IC 6-1.1-21.

(c) For the purpose of allocating taxes levied by or for any taxing unit or units, the assessed value of taxable property in a territory in the allocation area that is annexed by a taxing unit after the effective date of the allocation provision of the declaratory resolution is the lesser of:

(1) the assessed value of the property for the assessment date with respect to which the allocation and distribution is made; or

(2) the base assessed value.

(d) Property tax proceeds allocable to the military base development district under subsection (b)(2) may, subject to subsection (b)(3), be irrevocably pledged by the military base development district for payment as set forth in subsection (b)(2).

(e) Notwithstanding any other law, each assessor shall, upon petition of the development authority, reassess the taxable property situated upon or in or added to the allocation area, effective on the next assessment date after the petition.

(f) Notwithstanding any other law, the assessed value of all taxable property in the allocation area, for purposes of tax limitation, property tax replacement, and the making of the budget, tax rate, and tax levy for each political subdivision in which the property is located is the lesser of:

(1) the assessed value of the property as valued without regard to this section; or

(2) the base assessed value.

(g) If any part of the allocation area is located in an enterprise zone created under IC 5-28-15, the development authority shall create funds as specified in this subsection. A development authority that has obligations, bonds, or leases payable from allocated tax proceeds under subsection (b)(2) shall establish an allocation fund for the purposes specified in subsection (b)(2) and a special zone fund. The development authority shall, until the end of the enterprise zone phase out period, deposit each year in the special zone fund any amount in the allocation fund derived from property tax proceeds in excess of those described in subsection (b)(1) from property located in the enterprise zone that exceeds the amount sufficient for the purposes specified in subsection (b)(2) for the year. The amount sufficient for purposes specified in subsection (b)(2) for the year shall be determined based on the pro rata part of such current property tax proceeds from the part of the enterprise zone that is within the allocation area as compared to all such current property tax proceeds derived from the allocation area. A development authority that does not have obligations, bonds, or leases payable from allocated tax proceeds under subsection (b)(2) shall establish a special zone fund and deposit all the property tax proceeds in excess of those described in subsection (b)(1) that are derived from property in the enterprise zone in the fund. The development authority that creates the special zone fund shall use the fund (based on the recommendations of the urban enterprise association) for programs in job training, job enrichment, and basic skill development that are designed to benefit residents and employers in the enterprise zone or for other purposes specified in subsection (b)(2), except that where reference is made in subsection (b)(2) to an allocation area it shall refer for purposes of payments from the special zone fund only to that part of the allocation area that is also located in the enterprise zone. The programs shall reserve at least one-half (½) of their enrollment in any session for residents of the enterprise zone.

(h) After each general reassessment under IC 6-1.1-4, the department of local government finance shall adjust the base assessed value one (1) time to neutralize any effect of the general reassessment on the property tax proceeds allocated to the military base development district under this section. However, the adjustment may not include the effect of property tax abatements under IC 6-1.1-12.1, and the adjustment may not produce less property tax proceeds allocable to the military base development district under subsection (b)(2) than would otherwise have been received if the general reassessment had not occurred. The department of local government finance may prescribe procedures for county and township officials to follow to assist the department in making the adjustments.

Sec. 31. (a) As used in this section, "depreciable personal property" refers to:

(1) all or any part of the designated taxpayer's depreciable personal property that is located in the allocation area; and

(2) all or any part of the other depreciable property located and taxable on the designated taxpayer's site of operations within the allocation area;

that is designated as depreciable personal property for purposes of this section by the development authority in a declaratory resolution adopted or amended under section 16 or 18 of this chapter.

(b) As used in this section, "designated taxpayer" means a taxpayer designated by the development authority in a declaratory resolution adopted or amended under section 16 or 18 of this chapter, and with respect to which the development authority finds that taxes to be derived from the depreciable personal property in the allocation area, in excess of the taxes attributable to the base assessed value of the personal property, are needed to pay debt service or provide security for bonds issued or to be issued under section 23 of this chapter or make payments or provide security on leases payable or to be payable under section 24 of this chapter in order to provide local public improvements or structures for a particular allocation area.

(c) The allocation provision of a declaratory resolution may modify the definition of "property taxes" under section 30(a) of this chapter to include taxes imposed under IC 6-1.1 on the depreciable personal property located and taxable on the site of operations of the designated taxpayers in accordance with the procedures and limitations set forth in this section and section 30 of this chapter. If a modification is included in the resolution, for purposes of section 30 of this chapter, the term "base assessed value" with respect to the depreciable personal property means the net assessed value of all the depreciable personal property as finally determined for the assessment date immediately preceding the adoption date of the modification, as adjusted under section 30(b) of this chapter.

Sec. 32. (a) As used in this section, "allocation area" has the meaning set forth in section 30 of this chapter.

(b) As used in this section, "taxing district" has the meaning set forth in IC 6-1.1-1-20.

(c) Subject to subsection (e) and except a provided in subsection (h), each taxpayer in an allocation area is entitled to an additional credit for taxes (as defined in IC 6-1.1-21-2) that under IC 6-1.1-22-9 are due and payable in May and November of that year. Except as provided in subsection (h), one-half (½) of the credit shall be applied to each installment of taxes (as defined in IC 6-1.1-21-2). This credit equals the amount determined under the following STEPS for each taxpayer in a taxing district that contains all or part of the allocation area:

STEP ONE: Determine that part of the sum of the amounts under IC 6-1.1-21-2(g)(1)(A), IC 6-1.1-21-2(g)(2), IC 6-1.1-21-2(g)(3), IC 6-1.1-21-2(g)(4), and IC 6-1.1-21-2(g)(5) that is attributable to the taxing district.

STEP TWO: Divide:

(A) that part of each county's eligible property tax replacement amount (as defined in IC 6-1.1-21-2) for that year as determined under IC 6-1.1-21-4 that is attributable to the taxing district; by

(B) the STEP ONE sum.

STEP THREE: Multiply:

(A) the STEP TWO quotient; by

(B) the total amount of the taxpayer's taxes (as defined in IC 6-1.1-21-2) levied in the taxing district that would have been allocated to an allocation fund under section 30 of this chapter had the additional credit described in this section not been given.

The additional credit reduces the amount of proceeds allocated to the military base development district and paid into an allocation fund under section 30(b)(2) of this chapter.

(d) If the additional credit under subsection (c) is not reduced under subsection (e) or (f), the credit for property tax replacement under IC 6-1.1-21-5 and the additional credit under

subsection (c) shall be computed on an aggregate basis for all taxpayers in a taxing district that contains all or part of an allocation area. The credit for property tax replacement under IC 6-1.1-21-5 and the additional credit under subsection (c) shall be combined on the tax statements sent to each taxpayer.

(e) Upon the recommendation of the development authority, the municipal legislative body of an affected municipality or the county executive of an affected county may by resolution provide that the additional credit described in subsection (c):

(1) does not apply in a specified allocation area; or

(2) is to be reduced by a uniform percentage for all taxpayers in a specified allocation area.

(f) If the municipal legislative body or county executive determines that granting the full additional credit under subsection (c) would adversely affect the interests of the holders of bonds or other contractual obligations that are payable from allocated tax proceeds in that allocation area in a way that would create a reasonable expectation that those bonds or other contractual obligations would not be paid when due, the municipal legislative body or county executive must adopt a resolution under subsection (e) to deny the additional credit or reduce the credit to a level that creates a reasonable expectation that the bonds or other obligations will be paid when due. A resolution adopted under subsection (e) denies or reduces the additional credit for property taxes first due and payable in the allocation area in any year following the year in which the resolution is adopted.

(g) A resolution adopted under subsection (e) remains in effect until rescinded by the body that originally adopted the resolution. However, a resolution may not be rescinded if the rescission would adversely affect the interests of the holders of bonds or other obligations that are payable from allocated tax proceeds in that allocation area in a way that would create a reasonable expectation that the principal of or interest on the bonds or other obligations would not be paid when due. If a resolution is rescinded and no other resolution is adopted, the additional credit described in subsection (c) applies to property taxes first due and payable in the allocation area in each year following the year in which the resolution is rescinded.

(h) This subsection applies to an allocation area only to the extent that the net assessed value of property that is assessed as residential property under the rules of the department of local government finance is not included in the base assessed value. If property tax installments with respect to a homestead (as defined in IC 6-1.1-20.9-1) are due in installments established by the department of local government finance under IC 6-1.1-22-9.5, each taxpayer subject to those installments in an allocation area is entitled to an additional credit under subsection (c) for the taxes (as defined in IC 6-1.1-21-2) due in installments. The credit shall be applied in the same proportion to each installment of taxes (as defined in IC 6-1.1-21-2).

Sec. 33. Notwithstanding any other law, utility services provided within the military base development district are subject to regulation by the appropriate regulatory agencies unless the utility service is provided by a utility that provides utility service solely within the geographic boundaries of an existing or a closed military installation by a utility facility in existence and operating on July 1, 1995, in which case the utility service is not subject to regulation for purposes of rate making, regulation, service delivery, or issuance of bonds or other forms of indebtedness. However, this exemption from regulation does not apply to utility service if the service is generated, treated, or produced outside the boundaries of the existing or closed military installation.

Sec. 34. (a) As used in this section, the following terms have the meanings set forth in IC 6-1.1-1:

(1) Assessed value.

(2) Owner.

(3) Person.

(4) Personal property.

(5) Property taxation.

(6) Tangible property.

(7) Township assessor.

(b) As used in this section, "PILOTS" means payments in lieu of taxes.

(c) The general assembly finds the following:

(1) That the closing of a military base in a unit results in an increased cost to the unit of providing governmental services to the area formerly occupied by the military base.

(2) That military base property held by a development authority is exempt from property taxation, resulting in the lack of an adequate tax base to support the increased governmental services.

(3) That to restore this tax base and provide a proper allocation of the cost of providing governmental services the fiscal body of the unit should be authorized to collect PILOTS from the development authority.

(4) That the appropriate maximum PILOTS would be the amount of the property taxes that would be paid if the tangible property were not exempt.

(d) The fiscal body of the unit may adopt an ordinance to require a development authority to pay PILOTS at times set forth in the ordinance with respect to tangible property of which the development authority is the owner or the lessee and that is exempt from property taxes. The ordinance remains in full force and effect until repealed or modified by the fiscal body.

(e) The PILOTS must be calculated so that the PILOTS do not exceed the amount of property taxes that would have been levied by the fiscal body for the unit upon the tangible property described in subsection (d) if the property were not exempt from property taxation.

(f) PILOTS shall be imposed as are property taxes and shall be based on the assessed value of the tangible property described in subsection (d). The township assessors shall assess the tangible property described in subsection (d) as though the property were not exempt. The development authority shall report the value of personal property in a manner consistent with IC 6-1.1-3.

(g) Notwithstanding any other law, a development authority is authorized to pay PILOTS imposed under this section from any legally available source of revenues. The development authority may consider these payments to be operating expenses for all purposes.

(h) PILOTS shall be deposited in the general fund of the unit and used for any purpose for which the general fund may be used.

(i) PILOTS shall be due as set forth in the ordinance and bear interest, if unpaid, as in the case of other taxes on property. PILOTS shall be treated in the same manner as property taxes for purposes of all procedural and substantive provisions of law.

Sec. 35. (a) Notwithstanding any other law, a development authority may:

(1) impose conditions on the development of any property in a development area; and

(2) require the payment of development fees or other fees by private persons to pay, defray, or mitigate the costs of the construction, operation, and maintenance of infrastructure that is required or needed to serve the development, redevelopment, and reuse of property within the development area.

(b) Before a development authority may impose conditions under subsection (a)(1), the development authority shall adopt a written resolution finding that the conditions to be imposed are:

(1) necessary to carry out at least one (1) of the purposes of this chapter; and

(2) reasonably related in nature and extent to the impact upon the development, redevelopment, and reuse of the property upon which the conditions are imposed.

(c) Before a development authority may impose fees under subsection (a)(2), the development authority shall adopt a written resolution finding that:

(1) the infrastructure for which the fees are to be imposed is necessary to carry out at least one (1) of the purposes of this chapter and is required or needed to serve the development, redevelopment, and reuse of the property within the development area; and

(2) the fees to be imposed are reasonably related in nature and extent to the impact upon the infrastructure attributable to the development, redevelopment, and reuse

of the property within the development area upon which the fees are imposed.

(d) Conditions imposed under subsection (a)(1) must be approved by the plan commission of the unit or other body responsible for developing a general plan for the unit. To approve the conditions, the plan commission or other body shall adopt a written resolution making the same findings required to be made by the development authority under subsection (b).

(e) Fees imposed under subsection (a)(2) must be deposited in the appropriate fund of the unit responsible for constructing, operating, and maintaining the particular infrastructure for which the fee has been imposed.

Sec. 36. A person who knowingly:

(1) applies any money raised under this chapter to any purpose other than those permitted by this chapter; or

(2) fails to follow the voucher and warrant procedure prescribed by this chapter in expending any money raised under this chapter;

commits a Class C felony.

SECTION 12. IC 36-7-32-10, AS AMENDED BY P.L.4-2005, SECTION 143, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 10. **(a)** A unit may apply to the Indiana economic development corporation for designation of all or part of the territory within the jurisdiction of the unit's redevelopment commission as a certified technology park and to enter into an agreement governing the terms and conditions of the designation. The application must be in a form specified by the Indiana economic development corporation and must include information the corporation determines necessary to make the determinations required under section 11 of this chapter.

(b) This subsection applies only to a unit in which a certified technology park designated before January 1, 2005, is located. A unit may apply to the Indiana economic development corporation for permission to expand the unit's certified technology park to include territory that is adjacent to the unit's certified technology park but located in another county. The corporation shall grant the unit permission to expand the certified technology park if the unit and the redevelopment commission having jurisdiction over the adjacent territory approve the proposed expansion in a resolution. A certified copy of each resolution approving the proposed expansion must be attached to the application submitted under this subsection.".

Page 5, after line 38, begin a new paragraph and insert:

"SECTION 16. IC 36-7-34 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]:

Chapter 34. Qualified Military Base Enhancement Area

Sec. 1. "Area" refers to a qualified military base enhancement area established by this chapter.

Sec. 2. As used in this chapter, "technology park" refers to a certified technology park established under IC 36-7-32.

Sec. 3. "Qualified military base" means a United States government military installation that:

(1) has an area of at least sixty thousand (60,000) acres; and

(2) is used for the design, construction, maintenance, and testing of electronic devices and ordnance.

Sec. 4. A qualified military base enhancement area is established for each technology park located within a radius of five (5) miles of a qualified military base. The geographic area of the qualified military base enhancement area is the geographic area of the technology park.

Sec. 5. The department of commerce shall do the following:

(1) Coordinate area development activities.

(2) Serve as a catalyst for area development.

(3) Promote each area to outside groups and individuals.

(4) Establish a formal line of communication with businesses in each area.

(5) Act as a liaison between businesses and local governments for any development activity that may affect each area.

(6) Act as a liaison between each area and residents of nearby communities.

SECTION 17. [EFFECTIVE JANUARY 1, 2006] **(a) IC 6-2.5-4-5, as amended by this act, applies to services or commodities sold after December 31, 2005, to a business located in a qualified military base enhancement area established under IC 36-7-34, as added by this act.**

(b) IC 6-3-2-1.5, as amended by this act, applies to taxable years beginning after December 31, 2005.

(c) IC 6-3.1-11.6-2 and IC 6-3.1-11.6-9, both as amended by this act, apply to taxable years beginning after December 31, 2005.

SECTION 18. [EFFECTIVE JULY 1, 2005] **(a) The department of environmental management shall give priority to permit applications that concern:**

(1) current or former United States government military bases or other military installations; and

(2) the destruction, reclamation, recycling, reprocessing, or demilitarization of ordnance and other explosive materials.

(b) This SECTION expires July 1, 2008.

SECTION 19. **An emergency is declared for this act.**".

Renumber all SECTIONS consecutively.

(Reference is to SB 571 as printed February 8, 2005.)

and when so amended that said bill do pass.

Committee Vote: yeas 9, nays 0.

BORROR, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred Engrossed Senate Bill 602, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 2, line 15, delete "who does not hold another lucrative" and insert "**may not receive a salary other than the minimum salary per diem provided by IC 4-10-11-2.1(b). However, a manager who holds another lucrative elective or appointive office is not eligible to receive the minimum salary per diem.**".

Page 2, delete lines 16 through 17.

(Reference is to SB 602 as printed February 25, 2005.)

and when so amended that said bill do pass.

Committee Vote: yeas 22, nays 0.

ESPICH, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Local Government, to which was referred Engrossed Senate Bill 638, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 1, between the enacting clause and line 1, begin a new paragraph and insert:

"SECTION 1. IC 3-5-2-49.1 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: **Sec. 49.1. "Township" means the following:**

(1) A township in a county not having a consolidated city.

(2) Before January 1, 2006, a township in a county having a consolidated city.

(3) After December 31, 2005, a township district (as defined in IC 36-6-4.1-5) in a county having a consolidated city.

SECTION 2. IC 3-6-5-28 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 28. The:

(1) sheriff of a county, for a general election **or for a municipal election in a consolidated city;** and ~~the~~

(2) chief law enforcement officer of a municipality, for a municipal election **in a municipality other than a consolidated city;**

shall serve all processes issued by a county election board.

SECTION 3. IC 3-8-1-30 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 30. A candidate for the office of **small claims** judge ~~of a small claims court~~ **(as defined in IC 33-33-49-5.2)** must:

(1) be a United States citizen upon taking office;

(2) either:
(A) have resided in the township from which the candidate is elected for at least one (1) year upon taking office; or
(B) have been elected as a small claims court judge in the township before 1999;
(3) be of high moral character and reputation; and
(4) be admitted to the practice of law in Indiana upon filing a declaration of candidacy or petition of nomination or upon the filing of a certificate of candidate selection under IC 3-13-1-15 or IC 3-13-2-8.

SECTION 4. IC 3-8-1-31 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 31. A candidate for the office of **small claims** constable ~~of a small claims court~~ must:
(1) have resided in the township for more than one (1) year upon taking office; and
(2) be at least twenty-one (21) years old upon taking office.

SECTION 5. IC 3-8-2-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 5. A declaration of candidacy for:
(1) a federal office;
(2) a state office;
(3) a legislative office; or
(4) the local office of:
(A) judge of a circuit, superior, probate, **or** county ~~or small claims~~ court; or
(B) prosecuting attorney of a judicial circuit;
shall be filed with the secretary of state.

SECTION 6. IC 3-10-1-19 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 19. (a) The ballot for a primary election shall be printed in substantially the following form for all the offices for which candidates have qualified under IC 3-8:

OFFICIAL PRIMARY BALLOT
_____ Party

To vote for a person make a voting mark (X or) on or in the box before the person's name in the proper column.
Vote for one only
Representative in Congress
[] (1) AB _____
[] (2) CD _____
[] (3) EF _____
[] (4) GH _____

(b) The offices with candidates for nomination shall be placed on the primary election ballot in the following order:
(1) Federal and state offices:
(A) President of the United States.
(B) United States Senator.
(C) Governor.
(D) United States Representative.
(2) Legislative offices:
(A) State senator.
(B) State representative.
(3) Circuit offices and county judicial offices:
(A) Judge of the circuit court, and unless otherwise specified under IC 33, with each division separate if there is more than one (1) judge of the circuit court.
(B) Judge of the superior court, and unless otherwise specified under IC 33, with each division separate if there is more than one (1) judge of the superior court.
(C) Judge of the probate court.
(D) Judge of the county court, with each division separate, as required by IC 33-30-3-3.
(E) Prosecuting attorney.
(F) Clerk of the circuit court.
(4) County offices:
(A) County auditor.
(B) County recorder.
(C) County treasurer.
(D) County sheriff.
(E) County coroner.
(F) County surveyor.
(G) County assessor.
(H) County commissioner.
(I) County council member.
(5) Township offices:
(A) Township assessor.
(B) Township trustee.
(C) Township board member.
(D) **Small claims** judge. ~~of the small claims court.~~
(E) **Small claims** constable. ~~of the small claims court.~~
(6) City offices:
(A) Mayor.
(B) Clerk or clerk-treasurer.
(C) Judge of the city court.
(D) City-county council member or common council member.
(7) Town offices:
(A) Clerk-treasurer.
(B) Judge of the town court.
(C) Town council member.

(c) The political party offices with candidates for election shall be placed on the primary election ballot in the following order after the offices described in subsection (b):
(1) Precinct committeeman.
(2) State convention delegate.

(d) The following offices and public questions shall be placed on the primary election ballot in the following order after the offices described in subsection (c):
(1) School board offices to be elected at the primary election.
(2) Other local offices to be elected at the primary election.
(3) Local public questions.

(e) The offices and public questions described in subsection (d) shall be placed in a separate column on the ballot if voting is by paper ballot, ballot card voting system, or electronic voting system or in a separate column of ballot labels if voting is by voting machine.

(f) A public question shall be placed on the primary election ballot in the following form:
(The explanatory text for the public question, if required by law.)
"Shall (insert public question)?"
[] YES
[] NO

SECTION 7. IC 3-10-2-13 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 13. The following public officials shall be elected at the general election before their terms of office expire and every four (4) years thereafter:
(1) Clerk of the circuit court.
(2) County auditor.
(3) County recorder.
(4) County treasurer.
(5) County sheriff.
(6) County coroner.
(7) County surveyor.
(8) County assessor.
(9) County commissioner.
(10) County council member.
(11) Township trustee.
(12) Township board member.
(13) Township assessor.
(14) **Small claims** judge. ~~of a small claims court.~~
(15) **Small claims** constable. ~~of a small claims court.~~

SECTION 8. IC 3-11-2-12, AS AMENDED BY P.L.14-2004,SECTION 98, AND AS AMENDED BY P.L.98-2004, SECTION 37, IS CORRECTED AND AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 12. The following offices shall be placed on the general election ballot in the following order:
(1) Federal and state offices:
(A) President and Vice President of the United States.
(B) United States Senator.
(C) Governor and lieutenant governor.
(D) Secretary of state.
(E) Auditor of state.
(F) Treasurer of state.
(G) Attorney general.
(H) Superintendent of public instruction.

~~(I) Clerk of the supreme court.~~
~~(J)~~ *(I)* United States Representative.
(2) Legislative offices:
(A) State senator.
(B) State representative.
(3) Circuit offices and county judicial offices:
(A) Judge of the circuit court, and unless otherwise specified under IC 33, with each division separate if there is more than one (1) judge of the circuit court.
(B) Judge of the superior court, and unless otherwise specified under IC 33, with each division separate if there is more than one (1) judge of the superior court.
(C) Judge of the probate court.
(D) Judge of the county court, with each division separate, as required by IC 33-30-3-3.
(E) Prosecuting attorney.
(F) Clerk of the circuit court.
(4) County offices:
(A) County auditor.
(B) County recorder.
(C) County treasurer.
(D) County sheriff.
(E) County coroner.
(F) County surveyor.
(G) County assessor.
(H) County commissioner.
(I) County council member.
(5) Township offices:
(A) Township assessor.
(B) Township trustee.
(C) Township board member.
(D) **Small claims** judge. ~~of the small claims court.~~
(E) **Small claims** constable. ~~of the small claims court.~~
(6) City offices:
(A) Mayor.
(B) Clerk or clerk-treasurer.
(C) Judge of the city court.
(D) City-county council member or common council member.
(7) Town offices:
(A) Clerk-treasurer.
(B) Judge of the town court.
(C) Town council member.

SECTION 9. IC 3-13-1-15 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 15. (a) A county chairman filling a candidate vacancy under section 6(a)(2) of this chapter or the chairman of a meeting filling a candidate vacancy under this chapter shall file a written certificate of candidate selection on a form prescribed by the commission stating the following information for each candidate selected:
(1) The name of each candidate as:
(A) the candidate wants the candidate's name to appear on the ballot; and
(B) the candidate's name is permitted to appear on the ballot under IC 3-5-7.
(2) The residence address of each candidate.
(b) The certificate shall be filed with:
(1) the election division for:
(A) a committee acting under section 3, 4, 5, or 6(b) of this chapter; or
(B) a committee acting under section 6(a) of this chapter to fill a candidate vacancy in the office of judge **or small claims judge** of a circuit, superior, probate, **or** county ~~or small claims~~ court or prosecuting attorney; or
(2) the circuit court clerk, for a committee acting under section 6(a) of this chapter to fill a candidate vacancy for a local office not described in subdivision (1).
(c) This subsection applies to a candidate vacancy resulting from a vacancy on the primary election ballot as described in section 2 of this chapter. The certificate required by subsection (a) shall be filed not later than noon July 3 before election day.
(d) This subsection applies to all candidate vacancies not described by subsection (c). The certificate required by subsection (a) shall be filed not more than three (3) days (excluding Saturdays and Sundays) after selection of the candidates.

SECTION 10. IC 3-13-2-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 8. (a) The chairman or chairmen filling a candidate vacancy under this chapter shall immediately file a written certificate of candidate selection on a form prescribed by the commission stating the following information for each candidate selected:
(1) The name of each candidate as:
(A) the candidate wants the candidate's name to appear on the ballot; and
(B) the candidate's name is permitted to appear on the ballot under IC 3-5-7.
(2) The residence address of each candidate.
(b) The certificate shall be filed with:
(1) the election division for:
(A) one (1) or more chairmen acting under section 2, 3, 4, or 5(b) of this chapter; or
(B) a committee acting under section 5(b) of this chapter to fill a candidate vacancy for the office of judge **or small claims judge** of a circuit, superior, probate, **or** county ~~or small claims~~ court or prosecuting attorney; or
(2) the circuit court clerk of the county in which the greatest percentage of the population of the election district is located, for a chairman acting under section 5(a) of this chapter to fill a candidate vacancy for a local office not described in subdivision (1).
(c) The certificate required by section (a) shall be filed not more than three (3) days (excluding Saturdays and Sundays) after selection of the candidate.

SECTION 11. IC 3-13-10-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 5. A vacancy in the office of **small claims** judge ~~of a small claims court~~ or small claims ~~court~~ constable not covered by section 1 of this chapter shall be filled by the ~~township board at a regular or special meeting. The chairman of the township board shall give notice of the meeting, which shall be held within thirty (30) days after the vacancy occurs. The notice must:~~
~~(1) be in writing;~~
~~(2) state the purpose of the meeting;~~
~~(3) state the date, time, and place of the meeting; and~~
~~(4) be sent by first class mail to each board member at least ten (10) days before the meeting.~~ **mayor of the consolidated city.**

SECTION 12. IC 4-4-6.1-2.6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: Sec. 2.6. (a) This section applies to records and other information, including records and information that are otherwise confidential, maintained by the following:
(1) The board.
(2) An urban enterprise association.
(3) The department of state revenue.
(4) The department of commerce.
(5) The department of local government finance.
(6) A county auditor.
(7) A controller for a consolidated city.
~~(7)~~ **(8)** A township **or county** assessor.
(b) A person listed in subsection (a) may request a second person described in subsection (a) to provide any records or other information maintained by the second person that concern an individual or business that is receiving a tax deduction, exemption, or credit related to an enterprise zone. Notwithstanding any other law, the person to whom the request is made under this section must comply with the request. A person receiving records or information under this section that are confidential must also keep the records or information confidential.
(c) A person who receives confidential records or information under this section and knowingly or intentionally discloses the records or information to an unauthorized person commits a Class A misdemeanor.

SECTION 13. IC 5-2-1-9, AS AMENDED BY P.L.62-2004, SECTION 1, AND AS AMENDED BY P.L.85-2004, SECTION 40, IS CORRECTED AND AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 9. (a) The board shall adopt

in accordance with IC 4-22-2 all necessary rules to carry out the provisions of this chapter. Such rules, which shall be adopted only after necessary and proper investigation and inquiry by the board, shall include the establishment of the following:

(1) Minimum standards of physical, educational, mental, and moral fitness which shall govern the acceptance of any person for training by any law enforcement training school or academy meeting or exceeding the minimum standards established pursuant to this chapter.

(2) Minimum standards for law enforcement training schools administered by towns, cities, counties, the northwest Indiana law enforcement training center, agencies, or departments of the state.

(3) Minimum standards for courses of study, attendance requirements, equipment, and facilities for approved town, city, county, and state law enforcement officer, police reserve officer, and conservation reserve officer training schools.

(4) Minimum standards for a course of study on cultural diversity awareness that must be required for each person accepted for training at a law enforcement training school or academy.

(5) Minimum qualifications for instructors at approved law enforcement training schools.

(6) Minimum basic training requirements which law enforcement officers appointed to probationary terms shall complete before being eligible for continued or permanent employment.

(7) Minimum basic training requirements which law enforcement officers not appointed for probationary terms but appointed on other than a permanent basis shall complete in order to be eligible for continued employment or permanent appointment.

(8) Minimum basic training requirements which law enforcement officers appointed on a permanent basis shall complete in order to be eligible for continued employment.

(9) Minimum basic training requirements for each person accepted for training at a law enforcement training school or academy that include six (6) hours of training in interacting with persons with mental illness, addictive disorders, mental retardation, and developmental disabilities, to be provided by persons approved by the secretary of family and social services and the law enforcement training board.

(b) Except as provided in subsection (l), a law enforcement officer appointed after July 5, 1972, and before July 1, 1993, may not enforce the laws or ordinances of the state or any political subdivision unless the officer has, within one (1) year from the date of appointment, successfully completed the minimum basic training requirements established under this chapter by the board. If a person fails to successfully complete the basic training requirements within one (1) year from the date of employment, the officer may not perform any of the duties of a law enforcement officer involving control or direction of members of the public or exercising the power of arrest until the officer has successfully completed the training requirements. This subsection does not apply to any law enforcement officer appointed before July 6, 1972, or after June 30, 1993.

(c) Military leave or other authorized leave of absence from law enforcement duty during the first year of employment after July 6, 1972, shall toll the running of the first year, which in such cases shall be calculated by the aggregate of the time before and after the leave, for the purposes of this chapter.

(d) Except as provided in subsections (e) and (l), a law enforcement officer appointed to a law enforcement department or agency after June 30, 1993, may not:

(1) make an arrest;

(2) conduct a search or a seizure of a person or property; or

(3) carry a firearm;

unless the law enforcement officer successfully completes, at a board certified law enforcement academy, *at the southwest Indiana law enforcement training academy under section 10.5 of this chapter,* or at the northwest Indiana law enforcement training center under section 15.2 of this chapter, the basic training requirements established by the board under this chapter.

(e) Before a law enforcement officer appointed after June 30, 1993, completes the basic training requirements, the law enforcement officer may exercise the police powers described in subsection (d) if the officer successfully completes the pre-basic course established in subsection (f). Successful completion of the pre-basic course authorizes a law enforcement officer to exercise the police powers described in subsection (d) for one (1) year after the date the law enforcement officer is appointed.

(f) The board shall adopt rules under IC 4-22-2 to establish a pre-basic course for the purpose of training:

(1) law enforcement officers;

(2) police reserve officers (as described in IC 36-8-3-20); and

(3) conservation reserve officers (as described in IC 14-9-8-27);

regarding the subjects of arrest, search and seizure, use of force, and firearm qualification. The pre-basic course must be offered on a periodic basis throughout the year at regional sites statewide. The pre-basic course must consist of forty (40) hours of course work. The board may prepare a pre-basic course on videotape that must be used in conjunction with live instruction. The board shall provide the course material, the instructors, and the facilities at the regional sites throughout the state that are used for the pre-basic course. In addition, the board may certify pre-basic courses that may be conducted by other public or private training entities, including colleges and universities.

(g) The board shall adopt rules under IC 4-22-2 to establish a mandatory inservice training program for police officers. After June 30, 1993, a law enforcement officer who has satisfactorily completed the basic training and has been appointed to a law enforcement department or agency on either a full-time or part-time basis is not eligible for continued employment unless the officer satisfactorily completes a minimum of sixteen (16) hours each year of inservice training in any subject area included in the law enforcement academy's basic training course or other job related subjects that are approved by the board as determined by the law enforcement department's or agency's needs. *Inservice training must include training in interacting with persons with mental illness, addictive disorders, mental retardation, and developmental disabilities, to be provided by persons approved by the secretary of family and social services and the law enforcement training board.* In addition, a certified academy staff may develop and make available inservice training programs on a regional or local basis. The board may approve courses offered by other public or private training entities, including colleges and universities, as necessary in order to ensure the availability of an adequate number of inservice training programs. The board may waive an officer's inservice training requirements if the board determines that the officer's reason for lacking the required amount of inservice training hours is due to any of the following:

(1) An emergency situation.

(2) The unavailability of courses.

(h) The board shall also adopt rules establishing a town marshal basic training program, subject to the following:

(1) The program must require fewer hours of instruction and class attendance and fewer courses of study than are required for the mandated basic training program.

(2) Certain parts of the course materials may be studied by a candidate at the candidate's home in order to fulfill requirements of the program.

(3) Law enforcement officers successfully completing the requirements of the program are eligible for appointment only in towns employing the town marshal system (IC 36-5-7) and having ~~no~~ **not** more than one (1) marshal and two (2) deputies.

(4) The limitation imposed by subdivision (3) does not apply to an officer who has successfully completed the mandated basic training program.

(5) The time limitations imposed by subsections (b) and (c) for completing the training are also applicable to the town marshal basic training program.

(i) The board shall adopt rules under IC 4-22-2 to establish a police chief executive training program. The program must include training in the following areas:

(1) Liability.

(2) Media relations.

(3) Accounting and administration.

(4) Discipline.

(5) Department policy making.
(6) Firearm policies.
(7) Department programs.

(j) A police chief shall apply for admission to the police chief executive training program within two (2) months of the date the police chief initially takes office. A police chief must successfully complete the police chief executive training program within six (6) months of the date the police chief initially takes office. However, if space in the program is not available at a time that will allow the police chief to complete the program within six (6) months of the date the police chief initially takes office, the police chief must successfully complete the next available program that is offered to the police chief after the police chief initially takes office.

(k) A police chief who fails to comply with subsection (j) may not serve as the police chief until the police chief has completed the police chief executive training program. For the purposes of this subsection and subsection (j), "police chief" refers to:

(1) the police chief of any city; ~~and~~
(2) the police chief of any town having a metropolitan police department; **and**
(3) after December 31, 2005, the chief of a metropolitan law enforcement agency established under IC 36-8-10.1.

A town marshal is not considered to be a police chief for these purposes, but a town marshal may enroll in the police chief executive training program.

(l) An investigator in the arson division of the office of the state fire marshal appointed:

(1) before January 1, 1994, is not required; or
(2) after December 31, 1993, is required;

to comply with the basic training standards established under this section.

(m) The board shall adopt rules under IC 4-22-2 to establish a program to certify handgun safety courses, including courses offered in the private sector, that meet standards approved by the board for training probation officers in handgun safety as required by IC 11-13-1-3.5(3).

SECTION 14. IC 5-2-12-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 5. (a) Subject to section 13 of this chapter, the following persons must register under this chapter:

(1) An offender who resides in Indiana. An offender resides in Indiana if either of the following applies:
(A) The offender spends or intends to spend at least seven (7) days (including part of a day) in Indiana during a one hundred eighty (180) day period.
(B) The offender owns real property in Indiana and returns to Indiana at any time.
(2) An offender not described in subdivision (1) who works or carries on a vocation or intends to work or carry on a vocation full-time or part-time for a period of time:
(A) exceeding fourteen (14) consecutive days; or
(B) for an aggregate period of time exceeding thirty (30) days;
during any calendar year in Indiana, whether the offender is financially compensated, volunteered, or is acting for the purpose of government or educational benefit.
(3) An offender not described in subdivision (1) who is enrolled or intends to be enrolled on a full-time or part-time basis in any public or private educational institution, including any secondary school, trade, or professional institution, or institution of higher education in Indiana.

(b) Except as provided in subsection (e), an offender who resides in Indiana shall register with the sheriff of the county where the offender resides. If an offender resides in more than one (1) county, the offender shall register with the sheriff of each county in which the offender resides. ~~However, if an offender resides in a county having a consolidated city, the offender shall register with the police chief of the consolidated city.~~

(c) An offender described in subsection (a)(2) shall register with the sheriff of the county where the offender is or intends to be employed or carry on a vocation. ~~However, an offender described in subsection (a)(2) who is employed or intends to be employed or to carry on a vocation in a consolidated city shall register with the police chief of the consolidated city.~~ If an offender is or intends to be employed or carry on a vocation in more than one (1) county, the offender shall register with the sheriff of each county. ~~However, if an offender is employed or intends to be employed or to carry on a vocation in a county containing a consolidated city and another county, the offender shall register with the police chief of the consolidated city and the sheriff of the other county.~~

(d) An offender described in subsection (a)(3) shall register with the sheriff of the county where the offender is enrolled or intends to be enrolled as a student. ~~However, if an offender described in subsection (a)(3) is enrolled or intends to be enrolled as a student in a county containing a consolidated city, the offender shall register with the police chief of the consolidated city.~~

(e) An offender described in subsection (a)(1)(B) shall register with the sheriff in the county in which the real property is located. ~~However, if the offender owns real property in a county containing a consolidated city, the offender shall register with the police chief of the consolidated city.~~

(f) An offender shall complete a registration form. Each sheriff ~~or police chief of a consolidated city~~ shall make the registration forms available to registrants.

(g) The offender shall register not more than seven (7) days after the offender:

(1) is released from a penal facility (as defined in IC 35-41-1-21);
(2) is released from a secure private facility (as defined in IC 31-9-2-115);
(3) is released from a juvenile detention facility;
(4) is transferred to a community transition program;
(5) is placed on parole;
(6) is placed on probation;
(7) is placed on home detention; or
(8) arrives at the place where the offender is required to register under subsection (b), (c), or (d);

whichever occurs first.

(h) Whenever an offender registers with a sheriff, ~~or the police chief of a consolidated city,~~ the sheriff ~~or police chief~~ shall immediately notify the institute of the offender's registration by forwarding a copy of the registration form to the institute.

(i) The sheriff with whom an offender registers under this section shall make and publish a photograph of an offender on the Indiana sheriffs' sex offender registry web site established under IC 36-2-13-5.5. ~~The police chief of a consolidated city with whom an offender registers under this section shall make a photograph of the offender that complies with the requirements of IC 36-2-13-5.5 and transmit the photograph (and other identifying information required by IC 36-2-13-5.5) to the Indiana sheriffs' sex offender registry web site established under IC 36-2-13-5.5. Every time a sex offender submits a new registration form to the police chief of a consolidated city, but at least once per year, the police chief shall make a photograph of the sex offender that complies with the requirements of IC 36-2-13-5.5. The police chief of a consolidated city shall transmit the photograph and a copy of the registration form to the Indiana sheriffs' sex offender registry web site established under IC 36-2-13-5.5. The sheriff of a county containing a consolidated city shall provide the police chief of a consolidated city with all photographic and computer equipment necessary to enable the police chief of the consolidated city to transmit sex offender photographs (and other identifying information required by IC 36-2-13-5.5) to the Indiana sheriffs' sex offender registry web site established under IC 36-2-13-5.5. In addition, the sheriff of a county containing a consolidated city shall provide all funding for the county's financial obligation for the establishment and maintenance of the Indiana sheriff's sex offender registry web site established under IC 36-2-13-5.5.~~

(j) When an offender completes a new registration form, the sheriff ~~or police chief of a consolidated city~~ shall:

(1) forward a copy of the new registration form to the institute; and
(2) notify every law enforcement agency having jurisdiction in the area where the offender resides.

SECTION 15. IC 5-2-12-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 7. (a) Not more

than fourteen (14) days before an Indiana offender who is required to register under this chapter is scheduled to be released from a correctional facility, transferred to a community transition or community corrections program, transferred to the jurisdiction of a sentencing court or probation office for a term of probation after being confined in a facility, released from any other penal facility (as defined in IC 35-41-1-21), released from a secure private facility (as defined in IC 31-9-2-115), or released from a juvenile detention facility, an official of the facility shall do the following:

(1) Orally inform the offender of the offender's duty to register under this chapter and require the offender to sign a written statement that the offender was orally informed or, if the offender refuses to sign the statement, certify that the offender was orally informed of the duty to register.

(2) Deliver a registration form advising the offender of the offender's duty to register under this chapter and require the offender to sign a written statement that the offender received the written notice or, if the offender refuses to sign the statement, certify that the offender was given the written notice of the duty to register.

(3) Obtain the address where the offender expects to reside after the offender's release.

(4) Inform in writing on a form or in the form prescribed or approved by the institute the sheriff having jurisdiction in the county ~~or the police chief having jurisdiction in the consolidated city~~ where the offender expects to reside of the offender's name, date of release or transfer, new address, and the offense or delinquent act committed by the offender.

(b) Not more than three (3) days after an offender who is required to register under this chapter is released or transferred as described in subsection (a), an official of the facility shall transmit to the state police the following:

(1) The offender's fingerprints, photograph, and identification factors.

(2) The address where the offender expects to reside after the offender's release.

(3) The complete criminal history data (as defined in IC 10-13-3-5) or, if the offender committed a delinquent act, juvenile history data (as defined in IC 10-13-4-4) of the offender.

(4) Information regarding the offender's past treatment for mental disorders.

(5) Information as to whether the offender has been determined to be a sexually violent predator.

(c) This subsection applies if an offender is placed on probation or in a community corrections program without confining the offender in a penal facility. The probation office serving the court in which the sex and violent offender is sentenced shall perform the duties required under subsections (a) and (b).

SECTION 16. IC 5-2-12-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 8. (a) If an offender who is required to register under this chapter changes:

(1) home address; or

(2) if section 5(a)(2) or 5(a)(3) of this chapter applies, the place where the offender stays in Indiana;

the offender shall complete and submit a new registration form not more than seven (7) days after the address change to the sheriff ~~or the police chief~~ with whom the offender last registered.

(b) If the offender moves to a new county in Indiana, the sheriff ~~or the police chief~~ referred to in subsection (a) shall inform the sheriff in the new county ~~or the police chief of the consolidated city, if the county has a consolidated city,~~ in Indiana of the offender's residence by forwarding to the sheriff ~~or the police chief~~ in the new county a copy of the registration form. The sheriff ~~or the police chief~~ receiving the notice under this subsection shall verify the address of the offender under section 8.5 of this chapter within seven (7) days after receiving the notice.

(c) If an offender who is required to register under section 5(a)(2) or 5(a)(3) of this chapter changes the offender's principal place of employment, principal place of vocation, or campus or location where the offender is enrolled in school, the offender shall submit a new registration form not more than seven (7) days after the change to the sheriff ~~or the police chief of a consolidated city~~ with whom the offender last registered.

(d) If an offender moves the offender's place of employment, vocation, or enrollment to a new county in Indiana, the sheriff ~~or the police chief of a consolidated city~~ referred to in subsection (c) shall inform the sheriff in the new county in Indiana ~~or the police chief of the consolidated city, if the county has a consolidated city,~~ of the offender's new principal place of employment, vocation, or enrollment by forwarding a copy of the registration form to the sheriff ~~or the police chief of the consolidated city~~ in the new county.

(e) If an offender moves the offender's residence, place of employment, or enrollment to a new state, the sheriff ~~or the police chief of the consolidated city~~ shall inform the state police in the new state of the offender's new place of residence, employment, or enrollment.

(f) A sheriff ~~or police chief of a consolidated city~~ shall make the forms required under this section available to registrants.

(g) A sheriff ~~or police chief of a consolidated city~~ who is notified of a change under subsection (a) or (c) shall immediately notify the institute of the change by forwarding a copy of the registration form to the institute.

SECTION 17. IC 5-2-12-8.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 8.5. (a) To verify an offender's current residence, the sheriff ~~(or the police chief of a consolidated city)~~ shall do the following:

(1) Mail each offender a registration form to the offender's listed address at least one (1) time per year, beginning seven (7) days after the sheriff ~~(or the police chief of a consolidated city)~~ receives a notice under section 14 of this chapter or the date the offender is:

(A) released from a penal facility (as defined in IC 35-41-1-21), a secure private facility (as defined in IC 31-9-2-115), or a juvenile detention facility;

(B) placed in a community transition program;

(C) placed in a community corrections program;

(D) placed on parole; or

(E) placed on probation;

whichever occurs first.

(2) Mail a registration form to each offender who is designated a sexually violent predator under IC 35-38-1-7.5 at least once every ninety (90) days, beginning seven (7) days after the sheriff ~~(or the police chief of a consolidated city)~~ receives a notice under section 14 of this chapter or the date the offender is:

(A) released from a penal facility (as defined in IC 35-41-1-21), a secure private facility (as defined in IC 31-9-2-115), or a juvenile detention facility;

(B) placed in a community transition program;

(C) placed in a community corrections program;

(D) placed on parole; or

(E) placed on probation;

whichever occurs first.

(b) If an offender fails to return a signed registration form either by mail or in person, the sheriff ~~(or the police chief of a consolidated city)~~ shall immediately notify the institute and the prosecuting attorney.

SECTION 18. IC 5-2-12-8.6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 8.6. (a) An offender who is required to register under this chapter may not petition for a change of name under IC 34-28-2.

(b) If an offender who is required to register under this chapter changes the offender's name due to marriage, the offender must notify the county sheriff ~~(or the police chief of a consolidated city)~~ by completing a registration form not more than thirty (30) days after the name change.

SECTION 19. IC 5-2-12-14 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 14. (a) The governor may enter into a compact with one (1) or more jurisdictions outside Indiana to exchange notifications concerning the release, transfer, or change of address, employment, vocation, or enrollment of an offender between Indiana and the other jurisdiction or the other jurisdiction and Indiana.

(b) The compact must provide for the designation of a state agency to coordinate the transfer of information.

(c) If the state agency receives information that an offender has relocated to Indiana to reside, engage in employment or a vocation, or enroll in school, the state agency shall inform in writing the sheriff of the county ~~(or the police chief of the consolidated city)~~ where the offender is required to register in Indiana of:

(1) the offender's name, date of relocation, and new address; and

(2) the sex and violent offense or delinquent act committed by the offender.

SECTION 20. IC 5-4-1-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 4. (a) As used in this section, "political subdivision" has the meaning set forth in IC 36-1-2-13.

(b) The copy of the oath under section 2 of this chapter shall be deposited by the person as follows:

(1) Of all officers whose oath is endorsed on or attached to the commission and whose duties are not limited to a particular county or of a justice, judge, or prosecuting attorney, in the office of the secretary of state.

(2) Of the circuit court clerk, officers of a political subdivision or school corporation, and **small claims** constables, ~~of a small claims court~~, in the circuit court clerk's office of the county containing the greatest percentage of the population of the political subdivision or school corporation.

(3) Of a deputy prosecuting attorney, in the office of the clerk of the circuit court of the county in which the deputy prosecuting attorney resides or serves.

SECTION 21. IC 5-8-3.5-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 1. (a) An officer who wants to resign shall give written notice of the officer's resignation as follows:

(1) The governor and lieutenant governor shall notify the principal clerk of the house of representatives and the principal secretary of the senate to act in accordance with Article 5, Section 10 of the Constitution of the State of Indiana. The clerk and the secretary shall file a copy of the notice with the office of the secretary of state.

(2) A member of the general assembly shall notify the following, whichever applies:

(A) A member of the senate shall notify the president pro tempore of the senate.

(B) A member of the house of representatives shall notify the speaker of the house of representatives.

(3) The following officers commissioned by the governor under IC 4-3-1-5 shall notify the governor:

(A) An elector or alternate elector for President and Vice President of the United States.

(B) The secretary of state, auditor of state, treasurer of state, superintendent of public instruction, or attorney general.

(C) An officer elected by the general assembly, the senate, or the house of representatives.

(D) A justice of the Indiana supreme court, judge of the Indiana court of appeals, or judge of the Indiana tax court.

(E) A judge **or small claims judge** of a circuit, city, county, probate, superior, **or** town ~~or township small claims~~ court.

(F) A prosecuting attorney.

(G) A circuit court clerk.

(H) A county auditor, county recorder, county treasurer, county sheriff, county coroner, or county surveyor.

(4) An officer of a political subdivision (as defined by IC 36-1-2-13) other than an officer listed in subdivision (3) shall notify the circuit court clerk of the county containing the largest percentage of population of the political subdivision.

(5) An officer not listed in subdivisions (1) through (4) shall notify the person or entity from whom the officer received the officer's appointment.

(b) A person or an entity that receives notice of a resignation and does not have the power to fill the vacancy created by the resignation shall, not later than seventy-two (72) hours after receipt of the notice of resignation, give notice of the vacancy to the person or entity that has the power to:

(1) fill the vacancy; or

(2) call a caucus for the purpose of filling the vacancy.

SECTION 22. IC 5-10-8-2.2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 2.2. (a) As used in this section, "dependent" means a natural child, stepchild, or adopted child of a public safety employee who:

(1) is less than eighteen (18) years of age;

(2) is eighteen (18) years of age or older and physically or mentally disabled (using disability guidelines established by the Social Security Administration); or

(3) is at least eighteen (18) and less than twenty-three (23) years of age and is enrolled in and regularly attending a secondary school or is a full-time student at an accredited college or university.

(b) As used in this section, "public safety employee" means a full-time firefighter, police officer, county police officer, or sheriff.

(c) This section applies only to local unit public employers and their public safety employees.

(d) A local unit public employer may provide programs of group health insurance for its active and retired public safety employees through one (1) of the following methods:

(1) By purchasing policies of group insurance.

(2) By establishing self-insurance programs.

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

A local unit public employer may provide programs of group insurance other than group health insurance for the local unit public employer's active and retired public safety employees by purchasing policies of group insurance and by establishing self-insurance programs. However, the establishment of a self-insurance program is subject to the approval of the unit's fiscal body.

(e) A local unit public employer may pay a part of the cost of group insurance for its active and retired public safety employees. However, a local unit public employer that provides group life insurance for its active and retired public safety employees shall pay a part of the cost of that insurance.

(f) A local unit public employer may not cancel an insurance contract under this section during the policy term of the contract.

(g) After June 30, 1989, a local unit public employer that provides a group health insurance program for its active public safety employees shall also provide a group health insurance program to the following persons:

(1) Retired public safety employees.

(2) Public safety employees who are receiving disability benefits under IC 36-8-6, IC 36-8-7, IC 36-8-7.5, IC 36-8-8, ~~or~~ IC 36-8-10, **or IC 36-8-10.1.**

(3) Surviving spouses and dependents of public safety employees who die while in active service or after retirement.

(h) A retired or disabled public safety employee who is eligible for group health insurance coverage under subsection (g)(1) or (g)(2):

(1) may elect to have the person's spouse, dependents, or spouse and dependents covered under the group health insurance program at the time the person retires or becomes disabled;

(2) must file a written request for insurance coverage with the employer within ninety (90) days after the person retires or begins receiving disability benefits; and

(3) must pay an amount equal to the total of the employer's and the employee's premiums for the group health insurance for an active public safety employee (however, the employer may elect to pay any part of the person's premiums).

(i) Except as provided in IC 36-8-6-9.7(f), IC 36-8-6-10.1(h), IC 36-8-7-12.3(g), IC 36-8-7-12.4(j), IC 36-8-7.5-13.7(h), IC 36-8-7.5-14.1(i), IC 36-8-8-13.9(d), ~~IC 38-8-8-14.1(h), and~~ **IC 36-8-8-14.1(h),** IC 36-8-10-16.5, **and IC 36-8-10.1-44** for a surviving spouse or dependent of a public safety employee who dies in the line of duty, a surviving spouse or dependent who is eligible for group health insurance under subsection (g)(3):

(1) may elect to continue coverage under the group health insurance program after the death of the public safety employee;

(2) must file a written request for insurance coverage with the employer within ninety (90) days after the death of the public safety employee; and

(3) must pay the amount that the public safety employee would have been required to pay under this section for coverage

selected by the surviving spouse or dependent (however, the employer may elect to pay any part of the surviving spouse's or dependents' premiums).

(j) A retired or disabled public safety employee's eligibility for group health insurance under this section ends on the earlier of the following:

(1) When the public safety employee becomes eligible for Medicare coverage as prescribed by 42 U.S.C. 1395 et seq.

(2) When the employer terminates the health insurance program for active public safety employees.

(k) A surviving spouse's eligibility for group health insurance under this section ends on the earliest of the following:

(1) When the surviving spouse becomes eligible for Medicare coverage as prescribed by 42 U.S.C. 1395 et seq.

(2) When the unit providing the insurance terminates the health insurance program for active public safety employees.

(3) The date of the surviving spouse's remarriage.

(4) When health insurance becomes available to the surviving spouse through employment.

(l) A dependent's eligibility for group health insurance under this section ends on the earliest of the following:

(1) When the dependent becomes eligible for Medicare coverage as prescribed by 42 U.S.C. 1395 et seq.

(2) When the unit providing the insurance terminates the health insurance program for active public safety employees.

(3) When the dependent no longer meets the criteria set forth in subsection (a).

(4) When health insurance becomes available to the dependent through employment.

(m) A public safety employee who is on leave without pay is entitled to participate for ninety (90) days in any group health insurance program maintained by the local unit public employer for active public safety employees if the public safety employee pays an amount equal to the total of the employer's and the employee's premiums for the insurance. However, the employer may pay all or part of the employer's premium for the insurance.

(n) A local unit public employer may provide group health insurance for retired public safety employees or their spouses not covered by subsections (g) through (l) and may provide group health insurance that contains provisions more favorable to retired public safety employees and their spouses than required by subsections (g) through (l). A local unit public employer may provide group health insurance to a public safety employee who is on leave without pay for a longer period than required by subsection (m), and may continue to pay all or a part of the employer's premium for the insurance while the employee is on leave without pay.

SECTION 23. IC 5-10-10-1.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 1.5. As used in this chapter, "correctional officer" includes:

(1) a county jail officer under IC 11-12-4-4;

(2) a person who has received a correctional officer training certificate under IC 11-8-2-8;

(3) a prison matron or an assistant prison matron under IC 36-8-10-5 **or IC 36-8-10.1-25;** and

(4) any other person whose duties include the daily or ongoing supervision and care of persons who are lawfully detained (as defined in IC 35-41-1-18) in a facility operated by the state or a political subdivision of the state.

SECTION 24. IC 5-10-10-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 4. As used in this chapter, "public safety officer" means any of the following:

(1) A state police officer.

(2) A county sheriff.

(3) A county police officer.

(4) A correctional officer.

(5) An excise police officer.

(6) A county police reserve officer.

(7) A city police reserve officer.

(8) A conservation enforcement officer.

(9) A town marshal.

(10) A deputy town marshal.

(11) A probation officer.

(12) A state university police officer appointed under IC 20-12-3.5.

(13) An emergency medical services provider (as defined in IC 16-41-10-1) who is:

(A) employed by a political subdivision (as defined in IC 36-1-2-13); and

(B) not eligible for a special death benefit under IC 36-8-6-20, IC 36-8-7-26, IC 36-8-7.5-22, or IC 36-8-8-20.

(14) A firefighter who is employed by the fire department of a state university.

(15) A member of the metropolitan law enforcement agency (as defined in IC 36-8-10.1-8).

SECTION 25. IC 5-10-13-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 2. As used in this chapter, "employee" means an individual who:

(1) is employed full time by the state or a political subdivision of the state as:

(A) a member of a fire department (as defined in IC 36-8-1-8);

(B) an emergency medical services provider (as defined in IC 16-41-10-1);

(C) a member of a police department (as defined in IC 36-8-1-9);

(D) a correctional officer (as defined in IC 5-10-10-1.5);

(E) a state police officer;

(F) a county police officer;

(G) a county sheriff;

(H) an excise police officer;

(I) a conservation enforcement officer;

(J) a town marshal; ~~or~~

(K) a deputy town marshal; **or**

(L) a member of the metropolitan law enforcement agency (as defined in IC 36-8-10.1-8);

(2) in the course of the individual's employment is at high risk for occupational exposure to an exposure risk disease; and

(3) is not employed elsewhere in a similar capacity.

SECTION 26. IC 5-10.1-1-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 6. "Governing body" means the fiscal body of a county, city, town, ~~or~~ township, **or township district, a** trustee, the township board, board of school commissioners, library board, or any board which by law is authorized to fix a rate of taxation on property of a political subdivision, or any other board which is empowered to administer the affairs of any department of, or associated with, a political subdivision, which department receives revenue independently of, or in addition to, funds obtained from taxation.

SECTION 27. IC 5-10.1-1-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 7. Political Subdivision. "Political subdivision" as used in this article means a county, city, town, township, **township district**, political body corporate, political entity, local housing authority, public school corporation, public library, public utility of a county, city, town, or township whether the public utility is operated by the city or town or under the terms of a trusteeship for the benefit of the city or town, and a department of, or associated with, a county, city, town, or township, which department receives revenue independently of, or in addition to, funds obtained through taxation. A state agency or a judicial circuit may not be construed as a political subdivision.

SECTION 28. IC 6-1.1-1.5 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]:

Chapter 1.5. County Assessor Performs Township Assessor Duties

Sec. 1. In a county having a consolidated city, the county assessor has the same duties and responsibilities for the county that the township assessor in a county that does not have a consolidated city has for the township.

SECTION 29. IC 6-1.1-3-17 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: Sec. 17. (a) On or before June 1 of each year, each township assessor of a county **not having a consolidated city** shall deliver to the county assessor a list which states by taxing district the total of the personal property assessments as shown on the personal property returns filed with the

township assessor on or before the filing date of that year. ~~and in a county with a township assessor under IC 36-6-5-1 in every township the township assessor shall deliver the lists to the county auditor as prescribed in subsection (b).~~

(b) On or before July 1 of each year, each county assessor shall certify to the county auditor the assessment value of the personal property in every taxing district.

(c) The department of local government finance shall prescribe the forms required by this section.

SECTION 30. IC 6-1.1-4-13.8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: Sec. 13.8. (a) As used in this section, "commission" refers to a county land valuation commission established under subsection (b).

(b) A county land valuation commission is established in each county for the purpose of determining the value of commercial, industrial, and residential land (including farm homesites) in the county.

(c) The county assessor is chairperson of the commission.

(d) The following are members of the commission:

(1) The county assessor. The county assessor shall cast a vote only to break a tie.

(2) **Except in a county having a consolidated city,** each township assessor, when the respective township land values for that township assessor's township are under consideration. A township assessor serving under this subdivision shall vote on all matters relating to the land values of that township assessor's township.

(3) **Except in a county having a consolidated city,** one (1) township assessor from the county to be appointed by a majority vote of all the township assessors in the county.

(4) One (1) county resident who:

(A) holds a license under IC 25-34.1-3 as a salesperson or broker; and

(B) is appointed by:

(i) the board of commissioners (as defined in IC 36-3-3-10) for a county having a consolidated city; or

(ii) the county executive (as defined in IC 36-1-2-5) for a county not described in item (i).

(5) Four (4) individuals who:

(A) are appointed by the county executive (as defined in IC 36-1-2-5); and

(B) represent one (1) of the following four (4) kinds of land in the county:

(i) Agricultural.

(ii) Commercial.

(iii) Industrial.

(iv) Residential.

Each of the four (4) kinds of land in the county must be represented by one (1) individual appointed under this subdivision.

(6) One (1) individual who:

(A) represents financial institutions in the county; and

(B) is appointed by:

(i) the board of commissioners (as defined in IC 36-3-3-10) for a county having a consolidated city; or

(ii) the county executive (as defined in IC 36-1-2-5) for a county not described in item (i).

(e) The term of each member of the commission begins November 1 of the year that precedes by two (2) years the year in which a general reassessment begins under IC 6-1.1-4-4, and ends January 1 of the year in which the general reassessment begins under IC 6-1.1-4-4. The appointing authority may fill a vacancy for the remainder of the vacated term.

(f) The commission shall determine the values of all classes of commercial, industrial, and residential land (including farm homesites) in the county using guidelines determined by the department of local government finance. Not later than November 1 of the year preceding the year in which a general reassessment begins, the commission determining the values of land shall submit the values, all data supporting the values, and all information required under rules of the department of local government finance relating to the determination of land values to the county property tax assessment board of appeals and the department of local government finance. Not later than January 1 of the year in which a general reassessment begins, the county property tax assessment board of appeals shall hold a public hearing in the county concerning those values. The property tax assessment board of appeals shall give notice of the hearing in accordance with IC 5-3-1 and shall hold the hearing after March 31 of the year preceding the year in which the general reassessment begins and before January 1 of the year in which the general reassessment under IC 6-1.1-4-4 begins.

(g) The county property tax assessment board of appeals shall review the values, data, and information submitted under subsection (f) and may make any modifications it considers necessary to provide uniformity and equality. The county property tax assessment board of appeals shall coordinate the valuation of property adjacent to the boundaries of the county with the county property tax assessment boards of appeals of the adjacent counties using the procedures adopted by rule under IC 4-22-2 by the department of local government finance. If the commission fails to submit land values under subsection (f) to the county property tax assessment board of appeals before January 1 of the year the general reassessment under IC 6-1.1-4-4 begins, the county property tax assessment board of appeals shall determine the values.

(h) The county property tax assessment board of appeals shall give notice to the county and township assessors, **if any,** of its decision on the values. The notice must be given before March 1 of the year the general reassessment under IC 6-1.1-4-4 begins. Not later than twenty (20) days after that notice, the county assessor or a township assessor, **if any,** in the county may request that the county property tax assessment board of appeals reconsider the values. The county property tax assessment board of appeals shall hold a hearing on the reconsideration in the county. The county property tax assessment board of appeals shall give notice of the hearing under IC 5-3-1.

(i) Not later than twenty (20) days after notice to the county **assessor** and township assessor, **if any,** is given under subsection (h), a taxpayer may request that the county property tax assessment board of appeals reconsider the values. The county property tax assessment board of appeals may hold a hearing on the reconsideration in the county. The county property tax assessment board of appeals shall give notice of the hearing under IC 5-3-1.

(j) A taxpayer may appeal the value determined under this section as applied to the taxpayer's land as part of an appeal filed under IC 6-1.1-15 after the taxpayer has received a notice of assessment. If a taxpayer that files an appeal under IC 6-1.1-15 requests the values, data, or information received by the county property tax assessment board of appeals under subsection (f), the county property tax assessment board of appeals shall satisfy the request. The department of local government finance may modify the taxpayer's land value and the value of any other land in the township, the county where the taxpayer's land is located, or the adjacent county if the department of local government finance determines it is necessary to provide uniformity and equality.

(k) The county assessor shall notify all township assessors, **if any,** in the county of the values as determined by the commission and as modified by the county property tax assessment board of appeals or department of local government finance under this section. Township assessors shall use the values determined under this section.

SECTION 31. IC 6-1.1-4-25 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: Sec. 25. (a) Each township assessor shall keep the assessor's reassessment data and records current by securing the necessary field data and by making changes in the assessed value of real property as changes occur in the use of the real property. The township assessor's records shall at all times show the assessed value of real property in accordance with the provisions of this chapter. The township assessor shall ensure that the county assessor has full access to the assessment records maintained by the township assessor.

(b) The ~~township assessor in a county having a consolidated city, or the~~ county assessor ~~in every other county,~~ shall:

(1) maintain an electronic data file of:

(A) the parcel characteristics and parcel assessments of all parcels; and

(B) the personal property return characteristics and assessments by return;

for each township in the county as of each assessment date;

(2) maintain the file in the form required by:
(A) the legislative services agency; and
(B) the department of local government finance; and
(3) transmit the data in the file with respect to the assessment date of each year before October 1 of the year to:
(A) the legislative services agency; and
(B) the department of local government finance.

SECTION 32. IC 6-1.1-4-28.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: Sec. 28.5. (a) Money assigned to a property reassessment fund under section 27.5 of this chapter may be used only to pay the costs of:
(1) the general reassessment of real property, including the computerization of assessment records;
(2) payments to county assessors, members of property tax assessment boards of appeals, or assessing officials under IC 6-1.1-35.2;
(3) the development or updating of detailed soil survey data by the United States Department of Agriculture or its successor agency;
(4) the updating of plat books; and
(5) payments for the salary of permanent staff or for the contractual services of temporary staff who are necessary to assist county assessors, members of a county property tax assessment board of appeals, and assessing officials.

(b) All counties shall use modern, detailed soil maps in the general reassessment of agricultural land.

(c) The county treasurer of each county shall, in accordance with IC 5-13-9, invest any money accumulated in the property reassessment fund until the money is needed to pay general reassessment expenses. Any interest received from investment of the money shall be paid into the property reassessment fund.

(d) An appropriation under this section must be approved by the fiscal body of the county after the review and recommendation of the county assessor. ~~However, in a county with an elected township assessor under IC 36-6-5-1 in every township, the county assessor does not review an appropriation under this section, and only the fiscal body must approve an appropriation under this section.~~

SECTION 33. IC 6-1.1-5-14 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: Sec. 14. Not later than May 15, each assessing official **in a county not having a consolidated city** shall prepare and deliver to the county assessor a detailed list of the real property listed for taxation in the township. On or before July 1 of each year, each county assessor shall, under oath, prepare and deliver to the county auditor a detailed list of the real property listed for taxation in the county. ~~In a county with an elected township assessor under IC 36-6-5-1 in every township the township assessor shall prepare the real property list.~~ The assessing officials and the county assessor shall prepare the list in the form prescribed by the department of local government finance. The township assessor shall ensure that the county assessor has full access to the assessment records maintained by the township assessor.

SECTION 34. IC 6-1.1-5.5-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: Sec. 3. (a) Before filing a conveyance document with the county auditor under IC 6-1.1-5-4, all the parties to the conveyance must complete and sign a sales disclosure form as prescribed by the department of local government finance under section 5 of this chapter. All the parties may sign one (1) form, or if all the parties do not agree on the information to be included on the completed form, each party may sign and file a separate form.

(b) ~~Except as provided in subsection (c),~~ The auditor shall forward each sales disclosure form to the county assessor. The county assessor shall retain the forms for five (5) years. The county assessor shall forward the sales disclosure form data to the department of local government finance and the legislative services agency:
(1) before January 1, 2005, in an electronic format, if possible; and
(2) after December 31, 2004, in an electronic format specified jointly by the department of local government finance and the legislative services agency.

The county assessor shall forward a copy of the sales disclosure forms to the township assessors in the county, **if any.** The forms may be used by the county assessing officials, the department of local government finance, and the legislative services agency for the purposes established in IC 6-1.1-4-13.6, sales ratio studies, equalization, adoption of rules under IC 6-1.1-31-3 and IC 6-1.1-31-6, and any other authorized purpose.

~~(c) In a county containing a consolidated city, the auditor shall forward the sales disclosure form to the appropriate township assessor. The township assessor shall forward the sales disclosure form to the department of local government finance and the legislative services agency:~~
~~(1) before January 1, 2005, in an electronic format, if possible; and~~
~~(2) after December 31, 2004, in an electronic format specified jointly by the department of local government finance and the legislative services agency.~~

~~The forms may be used by the county assessing officials, the department of local government finance, and the legislative services agency for the purposes established in IC 6-1.1-4-13.6, sales ratio studies, equalization, adoption of rules under IC 6-1.1-31-3 and IC 6-1.1-31-6, and any other authorized purpose.~~

~~(d)~~ **(c)** If a sales disclosure form includes the telephone number or Social Security number of a party, the telephone number or Social Security number is confidential.

SECTION 35. IC 6-1.1-5.5-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: Sec. 12. (a) A party to a conveyance who:
(1) is required to file a sales disclosure form under this chapter; and
(2) fails to file a sales disclosure form at the time and in the manner required by this chapter;

is subject to a penalty in the amount determined under subsection (b).

(b) The amount of the penalty under subsection (a) is the greater of:
(1) one hundred dollars ($100); or
(2) twenty-five thousandths percent (0.025%) of the sale price of the real property transferred under the conveyance document.

(c) The ~~township assessor in a county containing a consolidated city, or the~~ county assessor ~~in any other county,~~ shall:
(1) determine the penalty imposed under this section;
(2) assess the penalty to the party to a conveyance; and
(3) notify the party to the conveyance that the penalty is payable not later than thirty (30) days after notice of the assessment.

(d) The county auditor shall:
(1) collect the penalty imposed under this section;
(2) deposit penalty collections as required under section 4 of this chapter; and
(3) notify the county prosecuting attorney of delinquent payments.

(e) The county prosecuting attorney shall initiate an action to recover a delinquent penalty under this section. In a successful action against a person for a delinquent penalty, the court shall award the county prosecuting attorney reasonable attorney's fees.

SECTION 36. IC 6-1.1-8-24 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: Sec. 24. (a) Each year a township assessor shall assess the fixed property which as of the assessment date of that year is:
(1) owned or used by a public utility company; and
(2) located in the township the township assessor serves.

(b) The township assessor shall determine the assessed value of fixed property. **Except as provided in subsection (c),** the township assessor shall certify the assessed values to the county assessor on or before April 1 of the year of assessment. ~~However,~~

(c) In a county ~~with an elected township assessor under IC 36-6-5-1 in every township the township~~ **having a consolidated city, the county** assessor shall certify the list to the department of local government finance.

(d) The county assessor shall review the assessed values and shall certify the assessed values to the department of local government finance on or before April 10 of the year of assessment.

SECTION 37. IC 6-1.1-18.5-21 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: **Sec. 21. (a) The ad valorem property tax levy limits imposed by this chapter do not apply to ad valorem property taxes imposed by a consolidated city to pay**

or fund any indebtedness assumed, defeased, paid, or refunded under IC 36-3-1-6.1, IC 36-3-1-6.3, or IC 36-6-1.1-4.

(b) For property taxes first due and payable each year beginning in 2007, the maximum permissible ad valorem property tax levy for a consolidated city is increased each year by an amount equal to the lesser of:

(1) the difference between:

(A) the maximum permissible ad valorem property tax levy under section 3 of this chapter for the current year for the consolidated city's fire special service district created under IC 36-3-1-6; and

(B) the amount levied that year for the fire special service district; or

(2) ten percent (10%) of the maximum permissible ad valorem property tax levy under section 3 of this chapter for property taxes first due and payable in 2006 for the consolidated city's fire special service district created under IC 36-3-1-6.

(c) For property taxes first due and payable in each year beginning in 2007, the maximum permissible ad valorem property tax levy for a consolidated city is increased in each year by an amount equal to the lesser of:

(1) the difference between:

(A) the maximum permissible ad valorem property tax levy under section 3 of this chapter for the current year for the consolidated city's police special service district created under IC 36-3-1-6; and

(B) the amount levied that year for the police special service district; or

(2) ten percent (10%) of the maximum permissible ad valorem property tax levy under section 3 of this chapter for property taxes first due and payable in 2006 for the consolidated city's police special service district created under IC 36-3-1-6.

SECTION 38. IC 6-1.1-28-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: Sec. 1. (a) **This section applies to all counties except a county having a consolidated city.** Each county shall have a county property tax assessment board of appeals composed of individuals who are at least eighteen (18) years of age and knowledgeable in the valuation of property. In addition to the county assessor, only one (1) other individual who is an officer or employee of a county or township may serve on the board of appeals in the county in which the individual is an officer or employee. The fiscal body of the county shall appoint two (2) individuals to the board. At least one (1) of the members appointed by the county fiscal body must be a certified level two assessor-appraiser. The board of commissioners of the county shall appoint two (2) freehold members so that not more than three (3) of the five (5) members ~~may be~~ **are** of the same political party and so that at least three (3) of the five (5) members are residents of the county. At least one (1) of the members appointed by the board of county commissioners must be a certified level two assessor-appraiser. However, if the county assessor is a certified level two assessor-appraiser, the board of county commissioners may waive the requirement in this subsection that one (1) of the freehold members appointed by the board of county commissioners must be a certified level two assessor-appraiser. A person appointed to a property tax assessment board of appeals may serve on the property tax assessment board of appeals of another county at the same time. The members of the board shall elect a president. The employees of the county assessor shall provide administrative support to the property tax assessment board of appeals. The county assessor is a voting member of the property tax assessment board of appeals. The county assessor shall serve as secretary of the board. The secretary shall keep full and accurate minutes of the proceedings of the board. A majority of the board that includes at least one (1) certified level two assessor-appraiser constitutes a quorum for the transaction of business. Any question properly before the board may be decided by the agreement of a majority of the whole board.

(b) The county assessor, county fiscal body, and board of county commissioners may agree to waive the requirement in subsection (a) that not more than three (3) of the five (5) members of the county property tax assessment board of appeals may be of the same political party if it is necessary to waive the requirement due to the absence of certified level two Indiana assessor-appraisers:

(1) who are willing to serve on the board; and

(2) whose political party membership status would satisfy the requirement in subsection ~~(c)(1).~~ **(a).**

(c) If the board of county commissioners is not able to identify at least two (2) prospective freehold members of the county property tax assessment board of appeals who are:

(1) residents of the county;

(2) certified level two Indiana assessor-appraisers; and

(3) willing to serve on the county property tax assessment board of appeals;

it is not necessary that at least three (3) of the five (5) members of the county property tax assessment board of appeals be residents of the county.

SECTION 39. IC 6-1.1-28-1.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: **Sec. 1.5. (a) This section applies to a county having a consolidated city. The county property tax assessment board of appeals is established, composed of individuals who are at least eighteen (18) years of age and knowledgeable in the valuation of property. In addition to the county assessor, who serves as a nonvoting member, only one (1) other individual who is an officer or employee of the county may serve on the board of appeals. The fiscal body of the county shall appoint two (2) individuals to the board. At least one (1) of the members appointed by the county fiscal body must be a certified level two Indiana assessor-appraiser. The board of commissioners of the county shall appoint three (3) freehold members so that not more than three (3) of the five (5) voting members are of the same political party and so that at least three (3) of the five (5) voting members are residents of the county. At least one (1) of the members appointed by the board of county commissioners must be a certified level two Indiana assessor-appraiser. One (1) of the members appointed by the board of county commissioners must be a representative of a neighborhood or taxpayer organization located in the county. A person appointed to a property tax assessment board of appeals may serve on the property tax assessment board of appeals of another county at the same time. The members of the board shall elect a president. The employees of the county assessor shall provide administrative support to the property tax assessment board of appeals. The county assessor shall serve as secretary of the board. The secretary shall keep full and accurate minutes of the proceedings of the board. A majority of the voting members of the board that includes at least one (1) certified level two Indiana assessor-appraiser constitutes a quorum for the transaction of business. Any question properly before the board may be decided by the agreement of a majority of the voting members of the board.**

(b) The county fiscal body and board of commissioners of the county may agree to waive the requirement in subsection (a) that not more than three (3) of the five (5) members of the county property tax assessment board of appeals are of the same political party if it is necessary to waive the requirement due to the absence of certified level two Indiana assessor-appraisers:

(1) who are willing to serve on the board; and

(2) whose political party membership status would satisfy the requirement in subsection (a).

(c) If the board of county commissioners is not able to identify at least two (2) prospective freehold members of the county property tax assessment board of appeals who are:

(1) residents of the county;

(2) certified level two Indiana assessor-appraisers; and

(3) willing to serve on the county property tax assessment board of appeals;

it is not necessary that at least three (3) of the five (5) members of the county property tax assessment board of appeals be residents of the county.

SECTION 40. IC 6-1.1-31.5-3.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: Sec. 3.5. (a) After December 31, 1998, each county shall maintain a state certified computer system that has the capacity to:

(1) process and maintain assessment records;
(2) process and maintain standardized property tax forms;
(3) process and maintain standardized property assessment notices;
(4) maintain complete and accurate assessment records for the county; and
(5) process and compute complete and accurate assessments in accordance with Indiana law.

In a county not having a consolidated city, the county assessor with the recommendation of the township assessors shall select the computer system used by township assessors and the county assessor in the county. ~~except in a county with a township assessor elected under IC 36-6-5-1 in every township.~~ In a county ~~with an elected township assessor under IC 36-6-5-1 in every township,~~ **having a consolidated city,** the ~~elected township assessors~~ **county assessor** shall select a computer system. ~~based on a majority vote of the township assessors in the county.~~

(b) All information on the computer system shall be readily accessible to:
(1) township assessors;
(2) the county assessor;
(3) the department of local government finance; and
(4) members of the county property tax assessment board of appeals.

(c) The certified system used by the counties must be compatible with the data export and transmission requirements in a standard format prescribed by the department of local government finance. The certified system must be maintained in a manner that ensures prompt and accurate transfer of data to the department.

(d) All standardized property forms and notices on the certified computer system shall be maintained by the township assessor and the county assessor in an accessible location and in a format that is easily understandable for use by persons of the county.

SECTION 41. IC 6-1.5-5-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: Sec. 5. After the hearing, the Indiana board shall give the petitioner, the township assessor, **if any**, the county assessor, the county auditor, and the department of local government finance:
(1) notice, by mail, of its final determination, findings of fact, and conclusions of law; and
(2) notice of the procedures the petitioner or the department of local government finance must follow in order to obtain court review of the final determination of the Indiana board.

SECTION 42. IC 6-2.5-8-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: Sec. 1. (a) A retail merchant may not make a retail transaction in Indiana, unless ~~he~~ **the retail merchant** has applied for a registered retail merchant's certificate.

(b) A retail merchant may obtain a registered retail merchant's certificate by filing an application with the department and paying a registration fee of twenty-five dollars ($25) for each place of business listed on the application. The retail merchant shall also provide such security for payment of the tax as the department may require under IC 6-2.5-6-12.

(c) The retail merchant shall list on the application the location (including the township) of each place of business where ~~he~~ **the merchant** makes retail transactions. However, if the retail merchant does not have a fixed place of business, ~~he~~ **the merchant** shall list ~~his~~ **the merchant's** residence as ~~his~~ **the merchant's** place of business. In addition, a public utility may list only its principal Indiana office as its place of business for sales of public utility commodities or service, but the utility must also list on the application the places of business where it makes retail transactions other than sales of public utility commodities or service.

(d) Upon receiving a proper application, the correct fee, and the security for payment, if required, the department shall issue to the retail merchant a separate registered retail merchant's certificate for each place of business listed on the application. Each certificate shall bear a serial number and the location of the place of business for which it is issued.

(e) If a retail merchant intends to make retail transactions during a calendar year at a new Indiana place of business, ~~he~~ **the retail merchant** must file a supplemental application and pay the fee for that place of business.

(f) A retail merchant engaged in business in Indiana as defined in IC 6-2.5-3-1(c) who makes retail transactions that are only subject to the use tax must obtain a registered retail merchant's certificate before making those transactions. The retail merchant may obtain the certificate by following the same procedure as a retail merchant under subsections (b) and (c), except that the retail merchant must also include on the application:
(1) the names and addresses of the retail merchant's principal employees, agents, or representatives who engage in Indiana in the solicitation or negotiation of the retail transactions;
(2) the location of all of the retail merchant's places of business in Indiana, including offices and distribution houses; and
(3) any other information that the department requests.

(g) The department may permit an out-of-state retail merchant to collect the use tax. However, before the out-of-state retail merchant may collect the tax, ~~he~~ **the retail merchant** must obtain a registered retail merchant's certificate in the manner provided by this section. Upon receiving the certificate, the out-of-state retail merchant becomes subject to the same conditions and duties as an Indiana retail merchant and must then collect the use tax due on all sales of tangible personal property that ~~he~~ **the retail merchant** knows is intended for use in Indiana.

(h) The department shall submit to the township assessor **or, in the case of a township located in a county having a consolidated city, the county assessor** before July 15 of each year:
(1) the name of each retail merchant that has newly obtained a registered retail merchant's certificate between March 2 of the preceding year and March 1 of the current year for a place of business located in the township **or county, as appropriate;** and
(2) the address of each place of business of the taxpayer in the township **or county, as appropriate.**

SECTION 43. IC 6-3.5-6-18.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 18.5. (a) This section applies to a county containing a consolidated city.

(b) Notwithstanding section 18(e) of this chapter, the distributive shares that each civil taxing unit in a county containing a consolidated city is entitled to receive during a month equals the following:
(1) For the calendar year beginning January 1, 1995, calculate the total amount of revenues that are to be distributed as distributive shares during that month multiplied by the following factor:

Center Township	.0251
Decatur Township	.00217
Franklin Township	.0023
Lawrence Township	.01177
Perry Township	.01130
Pike Township	.01865
Warren Township	.01359
Washington Township	.01346
Wayne Township	.01307
Lawrence-City	.00858
Beech Grove	.00845
Southport	.00025
Speedway	.00722
Indianapolis/Marion County	.86409

(2) Notwithstanding subdivision (1), for the calendar year beginning January 1, 1995, the distributive shares for each civil taxing unit in a county containing a consolidated city shall be not less than the following:

Center Township	$1,898,145
Decatur Township	$164,103
Franklin Township	$173,934
Lawrence Township	$890,086
Perry Township	$854,544
Pike Township	$1,410,375
Warren Township	$1,027,721
Washington Township	$1,017,890
Wayne Township	$988,397
Lawrence-City	$648,848
Beech Grove	$639,017
Southport	$18,906

Speedway $546,000

(3) For each year after 1995, calculate the total amount of revenues that are to be distributed as distributive shares during that month as follows:

STEP ONE: Determine the total amount of revenues that were distributed as distributive shares during that month in calendar year 1995.

STEP TWO: Determine the total amount of revenue that the department has certified as distributive shares for that month under section 17 of this chapter for the calendar year.

STEP THREE: Subtract the STEP ONE result from the STEP TWO result.

STEP FOUR: If the STEP THREE result is less than or equal to zero (0), multiply the STEP TWO result by the ratio established under subdivision (1).

STEP FIVE: Determine the ratio of:

(A) the maximum permissible property tax levy under IC 6-1.1-18.5 and IC 6-1.1-18.6 for each civil taxing unit for the calendar year in which the month falls, plus, for a county, an amount equal to the property taxes imposed by the county in 1999 for the county's welfare fund and welfare administration fund; divided by

(B) the sum of the maximum permissible property tax levies under IC 6-1.1-18.5 and IC 6-1.1-18.6 for all civil taxing units of the county during the calendar year in which the month falls, and an amount equal to the property taxes imposed by the county in 1999 for the county's welfare fund and welfare administration fund.

STEP SIX: If the STEP THREE result is greater than zero (0), the STEP ONE amount shall be distributed by multiplying the STEP ONE amount by the ratio established under subdivision (1).

STEP SEVEN: For each taxing unit determine the STEP FIVE ratio multiplied by the STEP TWO amount.

STEP EIGHT: For each civil taxing unit determine the difference between the STEP SEVEN amount minus the product of the STEP ONE amount multiplied by the ratio established under subdivision (1). The STEP THREE excess shall be distributed as provided in STEP NINE only to the civil taxing units that have a STEP EIGHT difference greater than or equal to zero (0).

STEP NINE: For the civil taxing units qualifying for a distribution under STEP EIGHT, each civil taxing unit's share equals the STEP THREE excess multiplied by the ratio of:

(A) the maximum permissible property tax levy under IC 6-1.1-18.5 and IC 6-1.1-18.6 for the qualifying civil taxing unit during the calendar year in which the month falls, plus, for a county, an amount equal to the property taxes imposed by the county in 1999 for the county's welfare fund and welfare administration fund; divided by

(B) the sum of the maximum permissible property tax levies under IC 6-1.1-18.5 and IC 6-1.1-18.6 for all qualifying civil taxing units of the county during the calendar year in which the month falls, and an amount equal to the property taxes imposed by the county in 1999 for the county's welfare fund and welfare administration fund.

(c) For each year after 2005:

(1) the revenues to be distributed as distributive shares during each month to Center Township are distributed as additional distributive shares to the central township district (as defined in IC 36-6-4.1-2) and the Center Township distributive shares are reduced to zero (0); and

(2) the revenues to be distributed as distributive shares during each month to the other townships listed in subsection (1) are distributed as additional distributive shares to Indianapolis/Marion County and the township distributive shares are reduced to zero (0).

SECTION 44. IC 6-6-5.5-18 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: Sec. 18. (a) A taxpayer who owns, holds, possesses, or controls a commercial vehicle that:

(1) is subject to the commercial vehicle excise tax imposed under this chapter; and

(2) would have been subject to assessment as personal property on March 1, 2000, under the law in effect before January 1, 2000;

shall file an information return on or before May 15, 2000, with the assessor of each township in which the taxpayer's commercial vehicles would have been subject to assessment and taxation under IC 6-1.1.

(b) The information return ~~shall be~~ **is** filed on a form prescribed by the department of local government finance and shall require the taxpayer to provide information regarding the value, nature, and location of each commercial vehicle which the taxpayer owns, holds, possesses, or controls on March 1, 2000. If a commercial vehicle is used or operated in interstate commerce, the value reported on the information return ~~shall be~~ **is** determined under the procedure set forth in 50 IAC 4.2-10-3.

(c) The information return shall be furnished to the taxpayer by the appropriate ~~township~~ assessor **for each township** in the same manner and at the same time as the taxpayer's personal property tax return.

(d) In completing an information return under this section, a taxpayer shall make a complete disclosure of all information, required by the department of local government finance, that is related to the value, nature, or location of commercial vehicles that the taxpayer owns, holds, possesses or controls on March 1, 2000. The taxpayer shall certify to the truth of all information appearing in the information return and all data accompanying the information return.

(e) The ~~township~~ assessor **for each township** shall examine and verify the accuracy of each information return filed by a taxpayer. If appropriate, the assessor **for each township** shall compare an information return with the books of the taxpayer and with commercial vehicles owned, held, possessed, or controlled by the taxpayer.

SECTION 45. IC 6-6-5.5-19 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: Sec. 19. (a) As used in this section, "assessed value" means an amount equal to the true tax value of commercial vehicles that:

(1) are subject to the commercial vehicle excise tax under this chapter; and

(2) would have been subject to assessment as personal property on March 1, 2000, under the law in effect before January 1, 2000.

(b) For calendar year 2001, a taxing unit's base revenue ~~shall be~~ **is** determined as provided in subsection (f). For calendar years that begin after December 31, 2001, a taxing unit's base revenue ~~shall be~~ **is** determined by multiplying the previous year's base revenue by one hundred five percent (105%).

(c) The amount of commercial vehicle excise tax distributed to the taxing units of Indiana from the commercial vehicle excise tax fund ~~shall be~~ **is** determined in the manner provided in this section. On or before June 1, 2000, ~~each township~~ **the** assessor ~~of a county~~ **for each township** shall deliver to the county assessor a list that states by taxing district the total assessed value as shown on the information returns filed with the assessor on or before May 15, 2000.

(d) On or before July 1, 2000, each county assessor shall certify to the county auditor the assessed value of commercial vehicles in every taxing district.

(e) On or before August 1, 2000, the county auditor shall certify the following to the department of local government finance:

(1) The total assessed value of commercial vehicles in the county.

(2) The total assessed value of commercial vehicles in each taxing district of the county.

(f) The department of local government finance shall determine each taxing unit's base revenue by applying the current tax rate for each taxing district to the certified assessed value from each taxing district. The department of local government finance shall also determine the following:

(1) The total amount of base revenue to be distributed from the commercial vehicle excise tax fund in 2001 to all taxing units in Indiana.

(2) The total amount of base revenue to be distributed from the commercial vehicle excise tax fund in 2001 to all taxing units

in each county.

(3) Each county's total distribution percentage. A county's total distribution percentage ~~shall be~~ **is** determined by dividing the total amount of base revenue to be distributed in 2001 to all taxing units in the county by the total base revenue to be distributed statewide.

(4) Each taxing unit's distribution percentage. A taxing unit's distribution percentage ~~shall be~~ **is** determined by dividing each taxing unit's base revenue by the total amount of base revenue to be distributed in 2001 to all taxing units in the county.

(g) The department of local government finance shall certify each taxing unit's base revenue and distribution percentage for calendar year 2001 to the auditor of state on or before September 1, 2000.

(h) The auditor of state shall keep permanent records of each taxing unit's base revenue and distribution percentage for calendar year 2001 for purposes of determining the amount of money each taxing unit in Indiana is entitled to receive in calendar years that begin after December 31, 2001.

SECTION 46. IC 6-8.1-7-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: Sec. 1. (a) This subsection does not apply to the disclosure of information concerning a conviction on a tax evasion charge. Unless in accordance with a judicial order or as otherwise provided in this chapter, the department, its employees, former employees, counsel, agents, or any other person may not divulge the amount of tax paid by any taxpayer, terms of a settlement agreement executed between a taxpayer and the department, investigation records, investigation reports, or any other information disclosed by the reports filed under the provisions of the law relating to any of the listed taxes, including required information derived from a federal return, except to:

(1) members and employees of the department;

(2) the governor;

(3) the attorney general or any other legal representative of the state in any action in respect to the amount of tax due under the provisions of the law relating to any of the listed taxes; or

(4) any authorized officers of the United States;

when it is agreed that the information is to be confidential and to be used solely for official purposes.

(b) The information described in subsection (a) may be revealed upon the receipt of a certified request of any designated officer of the state tax department of any other state, district, territory, or possession of the United States when:

(1) the state, district, territory, or possession permits the exchange of like information with the taxing officials of the state; and

(2) it is agreed that the information is to be confidential and to be used solely for tax collection purposes.

(c) The information described in subsection (a) relating to a person on public welfare or a person who has made application for public welfare may be revealed to the director of the division of family and children, and to any county director of family and children located in Indiana, upon receipt of a written request from either director for the information. The information shall be treated as confidential by the directors. In addition, the information described in subsection (a) relating to a person who has been designated as an absent parent by the state Title IV-D agency shall be made available to the state Title IV-D agency upon request. The information shall be subject to the information safeguarding provisions of the state and federal Title IV-D programs.

(d) The name, address, Social Security number, and place of employment relating to any individual who is delinquent in paying educational loans owed to an institution of higher education may be revealed to that institution if it provides proof to the department that the individual is delinquent in paying for educational loans. This information shall be provided free of charge to approved institutions of higher learning (as defined by IC 20-12-21-3(2)). The department shall establish fees that all other institutions must pay to the department to obtain information under this subsection. However, these fees may not exceed the department's administrative costs in providing the information to the institution.

(e) The information described in subsection (a) relating to reports submitted under IC 6-6-1.1-502 concerning the number of gallons of gasoline sold by a distributor, and IC 6-6-2.5 concerning the number of gallons of special fuel sold by a supplier and the number of gallons of special fuel exported by a licensed exporter or imported by a licensed transporter may be released by the commissioner upon receipt of a written request for the information.

(f) The information described in subsection (a) may be revealed upon the receipt of a written request from the administrative head of a state agency of Indiana when:

(1) the state agency shows an official need for the information; and

(2) the administrative head of the state agency agrees that any information released will be kept confidential and will be used solely for official purposes.

(g) The name and address of retail merchants, including township, as specified in IC 6-2.5-8-1(h) may be released solely for tax collection purposes to ~~township~~ assessors **for each township**.

(h) The department shall notify the appropriate innkeepers' tax board, bureau, or commission that a taxpayer is delinquent in remitting innkeepers' taxes under IC 6-9.

(i) All information relating to the delinquency or evasion of the motor vehicle excise tax may be disclosed to the bureau of motor vehicles in Indiana and may be disclosed to another state, if the information is disclosed for the purpose of the enforcement and collection of the taxes imposed by IC 6-6-5.

(j) All information relating to the delinquency or evasion of commercial vehicle excise taxes payable to the bureau of motor vehicles in Indiana may be disclosed to the bureau and may be disclosed to another state, if the information is disclosed for the purpose of the enforcement and collection of the taxes imposed by IC 6-6-5.5.

(k) All information relating to the delinquency or evasion of commercial vehicle excise taxes payable under the International Registration Plan may be disclosed to another state, if the information is disclosed for the purpose of the enforcement and collection of the taxes imposed by IC 6-6-5.5.

(l) This section does not apply to:

(1) the beer excise tax (IC 7.1-4-2);

(2) the liquor excise tax (IC 7.1-4-3);

(3) the wine excise tax (IC 7.1-4-4);

(4) the hard cider excise tax (IC 7.1-4-4.5);

(5) the malt excise tax (IC 7.1-4-5);

(6) the motor vehicle excise tax (IC 6-6-5);

(7) the commercial vehicle excise tax (IC 6-6-5.5); and

(8) the fees under IC 13-23.

(m) The name and business address of retail merchants within each county that sell tobacco products may be released to the division of mental health and addiction and the alcohol and tobacco commission solely for the purpose of the list prepared under ~~IC 6-2.5-6-14.~~ **IC 6-2.5-6-14.2.**

SECTION 47. IC 8-22-3-11.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: **Sec. 11.5. (a) This section applies only to an airport authority established for a county having a consolidated city.**

(b) After December 31, 2005, the fire department of the airport authority is consolidated into the fire department of the consolidated city under IC 36-3-1-6.1, and the fire department of the consolidated city shall provide fire protection services for the airport authority.

(c) Notwithstanding section 11 of this chapter, after December 31, 2005, the law enforcement services of the airport authority are consolidated into the metropolitan law enforcement agency under IC 36-8-10.1, and the metropolitan law enforcement agency shall provide law enforcement services for the airport authority.

SECTION 48. IC 9-13-2-92 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 92. (a) "Law enforcement officer", except as provided in subsection (b), includes the following:

(1) A state police officer.

(2) A city, town, or county police officer.

(3) A sheriff.

(4) A county coroner.

(5) A conservation officer.

(6) A member of the metropolitan law enforcement agency (as defined in IC 36-8-10.1-8).

(b) "Law enforcement officer", for purposes of IC 9-30-5, IC 9-30-6, IC 9-30-7, IC 9-30-8, and IC 9-30-9, has the meaning set forth in IC 35-41-1.

SECTION 49. IC 9-22-5-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 1. The following officers may act for their respective units of government under this chapter:

(1) The sheriff, for a county **or a consolidated city**.

(2) The chief of police, for a city **other than a consolidated city**.

(3) A town marshal, for a town.

(4) A township trustee, for a township **in a county not having a consolidated city**.

(5) A state police officer, for the state.

SECTION 50. IC 10-14-2-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 5. (a) For purposes of this section, "member of the military or public safety officer" means an individual who is:

(1) a member of a fire department (as defined in IC 36-8-1-8);

(2) an emergency medical service provider (as defined in IC 16-41-10-1);

(3) a member of a police department (as defined in IC 36-8-1-9);

(4) a correctional officer (as defined in IC 5-10-10-1.5);

(5) a state police officer;

(6) a county police officer;

(7) a police reserve officer;

(8) a county sheriff;

(9) a deputy sheriff;

(10) an excise police officer;

(11) a conservation enforcement officer;

(12) a town marshal;

(13) a deputy town marshal;

(14) a university policy officer appointed under IC 20-12-3.5;

(15) a probation officer;

(16) a paramedic;

(17) a volunteer firefighter (as defined in IC 36-8-12-2);

(18) an emergency medical technician or a paramedic working in a volunteer capacity;

(19) a member of the armed forces of the United States;

(20) a member of the Indiana Air National Guard; ~~or~~

(21) a member of the Indiana Army National Guard; **or**

(22) a member of the metropolitan law enforcement agency (as defined in IC 36-8-10.1-8)

(b) For purposes of this section, "dies in the line of duty" refers to a death that occurs as a direct result of personal injury or illness resulting from any action that a member of the military or public safety officer, in the member of the military's or public safety officer's official capacity, is obligated or authorized by rule, regulation, condition of employment or services, or law to perform in the course of performing the member of the military's or public safety officer's duty.

(c) If a member of the military or public safety officer dies in the line of duty, a state flag shall be presented to:

(1) the surviving spouse;

(2) the surviving children if there is no surviving spouse; or

(3) the surviving parent or parents if there is no surviving spouse and there are no surviving children.

(d) The state emergency management agency shall administer this section and may adopt rules under IC 4-22-2 to implement this section.

SECTION 51. IC 10-18-5-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 1. A township trustee **for a township in a county not having a consolidated city** may receive as public property a monument or memorial built:

(1) in the township;

(2) in honor of the township's soldiers or marines; and

(3) by the people with public donations;

if the people of the township want to give the monument or memorial to the township.

SECTION 52. IC 11-13-3-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 4. (a) A condition to remaining on parole is that the parolee not commit a crime during the period of parole.

(b) The parole board may also adopt, under IC 4-22-2, additional conditions to remaining on parole and require a parolee to satisfy one (1) or more of these conditions. These conditions must be reasonably related to the parolee's successful reintegration into the community and not unduly restrictive of a fundamental right.

(c) If a person is released on parole the parolee shall be given a written statement of the conditions of parole. Signed copies of this statement shall be:

(1) retained by the parolee;

(2) forwarded to any person charged with the parolee's supervision; and

(3) placed in the parolee's master file.

(d) The parole board may modify parole conditions if the parolee receives notice of that action and had ten (10) days after receipt of the notice to express the parolee's views on the proposed modification. This subsection does not apply to modification of parole conditions after a revocation proceeding under section 10 of this chapter.

(e) As a condition of parole, the parole board may require the parolee to reside in a particular parole area. In determining a parolee's residence requirement, the parole board shall:

(1) consider:

(A) the residence of the parolee prior to the parolee's incarceration; and

(B) the parolee's place of employment; and

(2) assign the parolee to reside in the county where the parolee resided prior to the parolee's incarceration unless assignment on this basis would be detrimental to the parolee's successful reintegration into the community.

(f) As a condition of parole, the parole board may require the parolee to:

(1) periodically undergo a laboratory chemical test (as defined in IC 14-15-8-1) or series of tests to detect and confirm the presence of a controlled substance (as defined in IC 35-48-1-9); and

(2) have the results of any test under this subsection reported to the parole board by the laboratory.

The parolee is responsible for any charges resulting from a test required under this subsection. However, a person's parole may not be revoked on the basis of the person's inability to pay for a test under this subsection.

(g) As a condition of parole, the parole board:

(1) may require a parolee who is a sex and violent offender (as defined in IC 5-2-12-4) to:

(A) participate in a treatment program for sex offenders approved by the parole board; and

(B) avoid contact with any person who is less than sixteen (16) years of age unless the parolee:

(i) receives the parole board's approval; or

(ii) successfully completes the treatment program referred to in clause (A); and

(2) shall:

(A) require a parolee who is an offender (as defined in IC 5-2-12-4) to register with a sheriff ~~(or the police chief of a consolidated city)~~ under IC 5-2-12-5;

(B) prohibit the offender from residing within one thousand (1,000) feet of school property (as defined in IC 35-41-1-24.7) for the period of parole, unless the offender obtains written approval from the parole board; and

(C) prohibit a parolee who is an offender convicted of a sex offense (as defined in IC 35-38-2-2.5) from residing within one (1) mile of the victim of the offender's sex offense unless the offender obtains a waiver under IC 35-38-2-2.5.

If the parole board allows the offender to reside within one thousand (1,000) feet of school property under subdivision (2)(B), the parole board shall notify each school within one thousand (1,000) feet of the offender's residence of the order.

(h) The address of the victim of a parolee who is an offender convicted of a sex offense (as defined in IC 35-38-2-2.5) is confidential, even if the offender obtains a waiver under IC 35-38-2-2.5.

SECTION 53. IC 12-7-2-192.6 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: **Sec. 192.6. "Township" for purposes of IC 12-20 and IC 12-30-4, means a:**

(1) civil township; or

(2) township district (as defined in IC 36-6-4.1-5) for a county having a consolidated city after December 31, 2006.

SECTION 54. IC 14-21-1-13.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 13.5. (a) The division may conduct a program to survey and register in a registry of Indiana cemeteries and burial grounds that the division establishes and maintains all cemeteries and burial grounds in each county in Indiana. The division may conduct the program alone or by entering into an agreement with one (1) or more of the following entities:

(1) The Indiana Historical Society established under IC 23-6-3.

(2) A historical society as defined in IC 20-5-17.5-1(a).

(3) The Historic Landmarks Foundation of Indiana.

(4) A professional archeologist or historian associated with a college or university.

(5) A township trustee **in a county not having a consolidated city.**

(6) Any other entity that the division selects.

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

(1) to carry out subsection (a); and

(2) according to the terms of the gift or grant.

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

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

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

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

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

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

SECTION 55. IC 15-3-4-0.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: **Sec. 0.5. (a) This section applies to a township in a county having a consolidated city.**

(b) After December 31, 2005, the duties of a township trustee under this chapter shall be transferred to the consolidated city.

SECTION 56. IC 15-3-4-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 1. (a) As used in this chapter, "detrimental plant" includes Canada thistle (cirsium arvense), Johnson grass, sorghum alumun (sorghum halrphense), bur cucumber (sicyos angulatus), shattercane (Sorghum bicolor [L.] Moench spp. drummondii [Steud.] deWet), and, in residential areas only, noxious weeds and rank vegetation. The term does not include agricultural crops.

(b) As used in this chapter, "person" means an individual, an incorporated or unincorporated organization or association, a trustee or legal representative, the state a political subdivision (as defined in IC 36-1-2-13), an agency of the state or a political subdivision, or a group of those persons acting in concert.

(c) As used in this chapter, "fund" means:

(1) the township fund for a township in a county not having a consolidated city; or

(2) the appropriate fund of the consolidated city for a county having a consolidated city.

(d) As used in this chapter, "township trustee" or "trustee" means:

(1) A township trustee for a township in a county not having a consolidated city; or

(2) The consolidated city for a township in a county having a consolidated city.

~~(c)~~ **(e)** A person owning or possessing real estate in Indiana shall destroy detrimental plants by cutting or mowing and, if necessary, by plowing, cultivating, or smothering, or by the use of chemicals in the bud stage of growth or earlier, to prevent those detrimental plants from maturing on any such real estate.

SECTION 57. IC 15-3-4-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 2. (a) A township trustee who has reason to believe that detrimental plants may be on real estate may, after giving forty-eight (48) hours notice to the owner or person in possession of the property, enter the real estate to investigate.

(b) Except as provided in subsection (c), if the township trustee determines after investigating the property or by visual inspection without entering the property that a person has detrimental plants growing on real estate in ~~the~~ **a** township **that comprises all or a part of the township trustee's jurisdiction** that have not been destroyed as described in section 1 of this chapter, the ~~trustee of the township in which the real estate is located~~ **township trustee** shall notify, in writing, the owner or person in possession of the real estate to destroy the detrimental plants in a manner provided in section 1 of this chapter within five (5) days after the notice is given. If the detrimental plants are not destroyed as provided in section 1 of this chapter within five (5) days after notice is given, the trustee shall cause the detrimental plants to be destroyed in a manner seeming most practical to the trustee within three (3) additional days. The trustee may hire a person to destroy the detrimental plants. The trustee or the person employed to destroy the detrimental plants may enter upon the real estate where the detrimental plants are growing to destroy the detrimental plants, and are not civilly or criminally liable for damage to crops, livestock, or other property occurring while carrying out such work, except for gross negligence or willful or wanton destruction.

(c) If the county has established a county weed control board under IC 15-3-4.6 the township trustee may notify the county weed control board of the real estate containing detrimental plants, and the board shall either assume jurisdiction to control the detrimental plants or decline jurisdiction and refer the matter back to the township trustee. The county weed control board shall notify the township trustee of the board's decision.

(d) Notice required in subsection (a) or (b) may be given:

(1) by mail, using certified mail; or

(2) by personal service.

(e) Notice under subsection (d) is considered received by the owner or person in possession of the real estate:

(1) if sent by mail, on the earlier of:

(A) the date of signature of receipt of the mailing; or

(B) three (3) business days after the date of mailing; or

(2) if served personally, on the date of delivery.

SECTION 58. IC 15-3-4-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 3. (a) The township trustee may pay for the chemicals, work, and labor performed in cutting or destroying detrimental plants under this chapter at a rate per hour to be fixed by the township trustee commensurate with local hourly wages.

(b) In all cases in which the infestation of the land with detrimental plants is so great and widespread as in the opinion of the trustee to render such cutting or eradication by hand methods impractical, the trustee shall engage the necessary power machinery or equipment and may pay for the work at a rate per hour fixed by the township trustee commensurate with the local hourly rate.

(c) When the work has been performed, the person doing the work shall file an itemized bill for the work ~~in the office of~~ **with** the trustee ~~of the township~~, and when the bill has been approved the trustee shall pay the bill out of the ~~township~~ fund. The trustee of the township shall certify the cost or expense of the work, and the cost of the chemicals, adding to such bill twenty dollars ($20) per day for each day that the trustee or the trustee's agent supervises the performance of the services required under this chapter as compensation for services, with a description of the real estate on which the labor was performed.

(d) The certified statement of costs prepared under subsection (c) shall be mailed using certificate of mailing to, or personally served on, the owner or person possessing the real estate. The certified statement shall be mailed to the auditor of state for any real estate owned by the state or to the fiscal officer of another municipality (as defined in IC 5-11-1-16) for real estate owned by the municipality. The statement shall request that the person pay the cost of performing the service under subsection (c) to the township trustee.

(e) If the owner or person in possession of the property does not pay the amount set forth in the statement within ten (10) days after receiving the notice under subsection (d), the township trustee shall file a copy of the certified statement in the office of the county auditor of the county where the real estate is located **or, if the township is in a county having a consolidated city, the office of the city controller.**

(f) The auditor **or the city controller** shall place the amount claimed in the certified statement on the tax duplicate of the real estate. Except as provided in subsections (j) through (l), the amount claimed shall be collected as taxes are collected.

(g) After an amount described in subsection (f) is collected, the funds shall be deposited in the ~~trustee's township funds~~ **fund** for use at the discretion of the trustee.

(h) If there is no money available in **a** ~~the township~~ fund for that purpose, ~~the township board~~ upon finding an emergency exists:

(1) the township legislative body shall act under IC 36-6-6-14(b) or IC 36-6-6-15; **or**

(2) a consolidated city shall act under IC 36-3-4;

to borrow a sum of money sufficient to meet the emergency.

(i) The trustee, when submitting estimates to the ~~township board~~ **legislative body** for action, shall include in the estimates an item sufficient to cover those expenditures.

(j) This subsection applies to real estate owned by the state. The auditor of state shall issue a warrant to pay the amount set forth in the certified statement of costs for real estate owned by the state and shall charge the appropriate fund for the amount.

(k) This subsection applies to real estate owned by a municipality (as defined in IC 5-11-1-16) other than the township **or a consolidated city.** The fiscal officer of the municipality shall make the necessary appropriation from the appropriate fund to pay the township the amount set forth in the certified statement of costs for real estate owned by the municipality.

(l) This subsection applies to real estate that is exempt from property taxation. The owner of the tax exempt real estate shall pay the amount set forth in the certified statement of costs for the tax exempt real estate. If the owner of the tax exempt real estate fails to pay the amount required by this chapter, the owner is ineligible for the property tax exemption and the department of local government finance shall deny the property tax exemption for the real estate.

SECTION 59. IC 15-3-4-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 4. Except as provided in section 3 of this chapter, the county auditor **or, if a township is in a county having a consolidated city, the city controller**, upon receiving and filing such trustee's certificate as prescribed in this chapter, shall immediately place said amounts on the tax duplicate of the county and such amounts shall be due at the next tax paying time, and shall be collected for the proper township, ~~or~~ townships, **or consolidated city,** the same as other state, county, or township taxes are collected, including penalties, forfeitures, and sales, and when so collected shall be paid to the proper trustee and placed in the ~~township~~ fund.

SECTION 60. IC 15-3-4-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 5. (a) A person who:

(1) knowingly allows detrimental plants to grow and mature on land owned or possessed by the person;

(2) knowing of the existence of detrimental plants on land owned or possessed by the person, fails to cut them down or eradicate them by chemicals each year, as prescribed in this chapter;

(3) having charge of or control over any highway, knowingly allows detrimental plants to grow or mature on the right-of-way of the highway, or, knowing of the existence of the detrimental plants fails to cut them down or eradicate them by chemicals, as prescribed in this chapter;

(4) having charge of or control over the right-of-way of a railroad or interurban company, knowingly allows detrimental plants to grow and mature thereon, or knowing of the existence of the detrimental plants, fails to cut them down or eradicate them by chemicals, as prescribed in this chapter; or

(5) knowingly sells Canada thistle (cirsium arvense) seed;

commits a Class C infraction. Each day this section is violated constitutes a separate infraction.

(b) All judgments collected under this section shall be paid to the trustee and placed in the ~~trustee's township funds~~ **fund** for use at the discretion of the trustee **or the consolidated city.**

SECTION 61. IC 15-3-4-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 7. When the annual budget is prepared, a sufficient amount shall be appropriated to enable the township ~~officials~~ **trustee** to comply with this chapter.

SECTION 62. IC 15-3-4-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 8. (a) The Purdue University cooperative extension service shall provide technical assistance to township trustees for the control of detrimental plants.

(b) All law enforcement agencies having jurisdiction in a township **or a consolidated city** shall assist the township trustee in carrying out the duties imposed on the trustee under this chapter.

SECTION 63. IC 15-3-4.6-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 3. The weed control board consists of the following members to be appointed by the authorizing body:

(1) One (1) **member appointed as follows:**

(A) In a county not having a consolidated city, a township trustee of **a township in** the county.

(B) In a county having a consolidated city, the director of the department of the consolidated city that is responsible for the destruction of detrimental plants described in this chapter or the director's designee.

(2) One (1) soil and water conservation district supervisor.

(3) A representative from the agricultural community of the county.

(4) A representative from the county highway department or an appointee of the county commissioners. ~~and~~

(5) A cooperative extension service agent from the county to serve in non-voting advisory capacity.

Each board member shall be appointed for a term of four (4) years. All vacancies in the membership of the board shall be filled for the unexpired term in the same manner as initial appointments. The board shall elect a chairman, and a secretary. The members of the board are not entitled to receive any compensation, but are entitled to such traveling and other expenses as may be necessary in the discharge of their duties. The board may appoint an executive director and employ necessary technical, professional, and other assistants and it shall fix the qualifications, duties, and salaries of these employees subject to the permission of the county council. The county highway supervisor and the soil and water conservation district supervisor or employee serving the county shall serve as inspectors for the board. They shall make periodic inspections and report their findings to the board and the executive director, if any.

SECTION 64. IC 15-3-5-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 1. The Indiana department of transportation, railroads, drainage districts, township boards, **except township boards of townships in a county having a consolidated city**, public utilities, and other public and quasi-public corporations shall, between July 1 and September 15, do anything possible to restrict the growth and seed production of all Johnson grass growing on lands for which they are responsible in a municipality or township of this state.

SECTION 65. IC 15-5-9-0.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: **Sec. 0.5. As used in this chapter, "assessor" means:**

(1) for a township located in a county not having a consolidated city:

(A) the township assessor elected under IC 36-6-5-1; or

(B) the township trustee who is required by law to act as

the assessor for the township the trustee serves; or

(2) for a township located in a county having a consolidated city, the controller of the consolidated city or the controller's designee.

SECTION 66. IC 15-5-9-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: Sec. 1. (a) The ~~township~~ assessor shall make a diligent census as to the number of dogs owned, harbored, or kept by any person. A person owning or harboring a dog shall pay immediately to the ~~township~~ assessor a tax for each dog owned, harbored, or kept on the same premises, whether owned by that person or some other person, as follows:

(1) Except as provided in subsection (d), for each neutered dog, two dollars ($2).

(2) For each nonneutered dog, four dollars ($4).

(3) For each additional dog, six dollars ($6).

No dog under six (6) months of age is subject to any tax under this chapter. Whoever becomes the owner or harborer of a dog after the dog census by the township assessor or any owner or harborer of a dog for which for any reason the assessor failed to collect the tax, shall, within thirty (30) days after becoming the owner or harborer of a dog, apply to the assessor, or the assessor's designee pay the required fee, and procure a tag for the dog.

(b) Dogs kept in kennels for breeding, boarding, or training purposes or for sale shall not be assessed an individual license fee, but the owner or keeper shall pay a kennel license fee according to the following schedule:

(1) For a major kennel, consisting of fifteen (15) or more dogs, a fee of thirty dollars ($30).

(2) For a minor kennel, consisting of less than fifteen (15) dogs, a fee of twenty dollars ($20).

For each individual dog tag or kennel license issued under this chapter, the ~~township~~ assessor ~~(or trustee who collects the fee)~~ shall retain from the fee described in this section, an administrative fee of fifty cents ($0.50). Administrative fees collected by ~~the~~ **an** assessor **other than a township trustee** shall be deposited in the county general fund, and administrative fees collected by ~~the~~ **a township** trustee shall be deposited in the township general fund.

(c) Upon the payment of the license fee required by subsection (b), the ~~township~~ assessor shall deliver to the owner or keeper of the kennel a proper license together with a metallic tag for each dog in such kennel. The license shall be dated and numbered and shall bear the name of the county issuing it and the name and address of the owner of the kennel licensed, and a description of the breed, number, sex, and age of the dogs kept in such kennel. Any person becoming the owner of a dog kennel shall, within thirty (30) days after becoming the owner, apply to the ~~township~~ assessor, township trustee, or assessor's designee and, upon payment of the required fee, procure a license and a metallic tag for all dogs kept in the kennel.

(d) A county council may increase the tax on neutered dogs imposed under subsection (a) from two dollars ($2) to three dollars ($3).

(e) ~~A township~~ **An** assessor ~~(or a township trustee who has the duties of a township assessor)~~ may designate one (1) or more licensed veterinarians or humane societies in the assessor's township **or county, as the case may be,** to collect the dog taxes and kennel license fees and issue the licenses under this chapter. A designee may retain seventy-five cents ($0.75) as a fee for that service and remit the balance of the money collected to the ~~township trustee~~ **assessor who designated the designee** by the tenth day of each month. As used in this subsection, "humane society" includes an animal shelter, animal control center, or other animal impounding facility that has as its purpose the humane treatment of animals.

SECTION 67. IC 15-5-9-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: Sec. 2. (a) The ~~township~~ assessor shall give to each person a receipt for the money paid the assessor, which ~~shall be~~ **is** designated for dog tax. The receipt shall show the person's name who owns, harbors, or keeps the dog, the amount paid, and the number, description, and kind of dogs paid for, whether male or female, and the number of each. The receipt relieves the person owning, keeping, or harboring dogs for the current year, extending one (1) year from its date. The assessor shall keep a record of persons owning dogs subject to taxation and a record of the dogs paid for. The assessor shall keep a stub record or copy of the receipts given for money paid as dog tax. The stub record shall show the amount paid, the number of dogs, both male and female, paid for, and the person's name owning the dogs paid for. At the time when the receipt is issued to the person, the assessor shall give to the person a tag, which shall be attached to the collar worn by the dog.

(b) Before July 1 each year, the ~~township~~ assessor**, except an assessor in a county having a consolidated city,** shall turn over to the township trustee all the records kept by the assessor relating to the collecting and payment of dog taxes and kennel license fees, and a copy of all receipts given by the assessor to persons having paid dog taxes and kennel license fees, and all money received by the assessor as dog taxes, and all tags left in the assessor's possession. The assessor shall assess against each person who failed to pay to the assessor the amount of any license fee owed by the person, and the amount of the license fees shall be placed upon the tax duplicate by the county auditor and collected as taxes are collected.

(c) From July 1 each year until March 1 of the next year, the ~~township trustee~~ **assessor** shall receive any license fees subject to be paid under this chapter and issue any licenses under this chapter that may be received or issued by the ~~township~~ assessor under this chapter.

SECTION 68. IC 15-5-9-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: Sec. 3. **This section does not apply to a township in a county having a consolidated city or to a consolidated city.** The ~~township~~ assessor shall, before July 1 each year, report the amount collected as dog tax and kennel license fees to the county auditor. The dog taxes and kennel license fees collected by ~~the~~ **a township** assessor shall be turned over by the **township** assessor to the township trustee of the **township** assessor's township. The county auditor shall make a record of the same, and charge the amount stated in the report against the township trustee as receipts from the county dog fund.

SECTION 69. IC 15-5-9-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: Sec. 4. (a) Each ~~township~~ assessor shall perform the duties imposed by this chapter. If a dog owner has failed to turn in a dog for taxation purposes, the assessor shall notify the owner that the assessor is listing the unpaid taxes within a period of ten (10) days, at which time the person will be assessed double the amount of taxes provided by this chapter unless the person owning the dog appears voluntarily within the ten (10) days and:

(1) proves to the satisfaction of the assessor that the person owned no such dog at the time the census was made; or

(2) makes an affidavit to be kept on file by the assessor to the effect that the failure to report a dog for taxation was not intentional and was not purposely omitted for the purpose of avoiding payment of taxes.

(b) Each assessor shall keep a complete list of all dogs subject to the tax under this chapter together with the names of their owners on record in the assessor's office at all times and available to the public. If any person shall acquire, own, harbor, or keep any dog after the assessor has completed the census, the person shall report the dog to and pay to the assessor the amount of dog tax as provided in this chapter and receive a receipt and tag for the payment. The receipt and tag exempts the person from further payment of dog tax on dogs described in the receipt for one (1) year from the date of the receipt.

SECTION 70. IC 15-5-9-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: Sec. 5. ~~A township~~ **An** assessor **or** assessor's designee ~~or township trustee~~ who:

(1) fails to perform the duties imposed by this chapter; or

(2) fails to make a complete report within the time specified in this chapter;

commits a Class C infraction.

SECTION 71. IC 15-5-9-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: Sec. 6. Every person liable to taxation in any township and residing in the township when listed for taxation shall make and subscribe to an oath to the ~~township~~ assessor in which the person states the number of dogs neutered or unneutered over the age of six (6) months and owned or harbored by the person.

SECTION 72. IC 15-5-9-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: Sec. 8. (a) All money derived by the taxing of dogs under this chapter shall

constitute a fund known as the township dog fund **or, in the case of a township located in a county having a consolidated city, the county dog fund** that the township trustee **or, in the case of a township located in a county having a consolidated city, the controller of the consolidated city,** shall use in the manner provided in this chapter for the payment of the following:

(1) Damages, less insurance proceeds, sustained by owners of the following stock, fowl, or game killed, maimed, or damaged by dogs:

(A) Sheep.
(B) Cattle.
(C) Horses.
(D) Swine.
(E) Goats.
(F) Mules.
(G) Chickens.
(H) Geese.
(I) Turkeys.
(J) Ducks.
(K) Guineas.
(L) Tame rabbits.
(M) Game birds and game animals held in captivity under authority of a game breeder's license issued by the department of natural resources.
(N) Bison.
(O) Farm raised cervidae.
(P) Ratitae.

(2) The expense of taking the Pasteur treatment for hydrophobia incurred by any person bitten by or exposed to a dog known to have hydrophobia. ~~within any township of Indiana.~~

(b) Any person requiring the treatment described in subsection (a)(2) may select the person's own physician.

(c) No damages shall be assessed or paid under this chapter on sheep except where individual damage exists or is shown.

(d) This subsection applies to a county whose legislative body has acted under this subsection. A county legislative body may designate by ordinance one (1) humane society located in that county to receive fifty cents ($0.50) from each dog tax payment collected under this chapter.

(e) A humane society designated under subsection (d) shall use the funds disbursed to the society to maintain an animal shelter.

(f) If a county does not designate a humane society to receive payments under subsection (d), those amounts remain in the township dog fund **or, in the case of a county having a consolidated city, the county dog fund.**

SECTION 73. IC 15-5-9-9.1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: Sec. 9.1. (a) ~~In order~~ To qualify for payment for damages by a township trustee **or, in the case of a township located in a county having a consolidated city, the controller of the consolidated city** under this chapter, the owner of stock, fowl, or game listed in section 8(a)(1) of this chapter killed, maimed, or damaged by dogs shall do the following:

(1) Not more than seventy-two (72) hours after the time of the loss, notify one (1) of the following having jurisdiction in the location where the loss occurred:

(A) A law enforcement officer.
(B) An officer of a county or municipal animal control center, shelter, or similar impounding facility.

(2) Within twenty (20) days from the time of the loss, report the loss to the trustee ~~of his township~~ **of the owner's township or, in a township located in a county having a consolidated city, to the controller of the consolidated city** as follows:

(A) Under oath, the owner shall state:

(i) the number, age, and value of the stock, fowl, or game; and
(ii) the damages, less any insurance proceeds, sustained.

(B) In an affidavit, the owner must be joined by two (2) disinterested and reputable freeholders residing in the township in which the stock, fowl, or game were killed, maimed, or damaged. The affidavit must state that the freeholders are:

(i) disinterested; and
(ii) not related by blood or marriage to the claimant.

(C) No appraisement may exceed the actual cash value of the stock, fowl, or game. As it applies to ratitae, cash value is no more than the slaughter value.
(D) The owner shall provide verification of the loss by an officer under subdivision (1).
(E) No loss shall be paid for property owned by a claimant on the last property tax assessment date if the property was not reported by the owner for assessment purposes at that time.

(b) An officer who receives notice under subsection (a)(1) shall visit the scene of the loss, verify the loss in writing, and mark the animal so that the animal can support only one (1) claim under this chapter.

SECTION 74. IC 15-5-9-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: Sec. 10. (a) The ~~trustees~~ **township trustee or the controller of the consolidated city** shall register and pay damages for all losses in the order in which the losses are reported.

(b) A person may not receive payment from the trustee **or the controller of the consolidated city** for stock, fowl, or game listed in section 8(a)(1) of this chapter:

(1) that are killed, maimed, or damaged by any dog or dogs owned or harbored by that person;
(2) for which the person received from another person an amount equal to the actual damages; or
(3) for which the owner has not complied with section 9.1 of this chapter.

(c) When rabies shall develop in any stock, fowl, or game listed in section 8(a)(1) of this chapter, however contracted, and when the existence of such disease ~~shall be~~ **is** proven by:

(1) laboratory diagnosis, made in the laboratory of the state department of health, or some other laboratory maintained by state, county, or municipal funds; or
(2) affidavit of an attending legally qualified graduate veterinarian;

the owner of such animal with rabies ~~shall be~~ **is** entitled to recover in the same amount and manner as provided in sections 8 and 9.1 of this chapter.

(d) Whenever any dog not accompanied by the dog's owner or owner's agent is suspected of having rabies and found roaming at large, and the dog dies or is destroyed on said account, the **township** trustee **or controller of the consolidated city** shall do the following:

(1) Remove or have removed the head of the dog.
(2) Pay from the township dog fund **or, in the case of a township located in a county having a consolidated city, the county dog fund,** the following:

(A) A reasonable fee for the removal of the dog's head.
(B) All charges for transporting the head to a laboratory maintained by state, county, or municipal funds. If no money is available in the **appropriate** dog fund, ~~of the township,~~ then such necessary fees ~~shall be~~ **are** paid out of the township **general** fund **or, in the case of a township located in a county having a consolidated city, the county general fund,** without appropriations having been made.

(e) On the first Monday of March of each year, the township shall transfer the following to the county treasurer:

(1) Any funds in a township dog fund designated for a humane society under section 8 of this chapter.
(2) Any amount in a township dog fund exceeding three hundred dollars ($300) over and above orders drawn on the fund.

(f) The funds transferred to the county treasurer under subsection (e) ~~shall be~~ **are** deposited in the county dog fund. On the second Monday in March of each year, the money in the county dog fund ~~shall be~~ **is** distributed as follows:

(1) **Except for a township located in a county having a consolidated city,** among the townships of the county in which the orders drawn against the dog fund exceed the money on hand.
(2) To a humane society designated under section 8 of this chapter.

(g) If the funds in the county dog fund, after any distribution to a designated humane society, are insufficient to pay for all stock, fowl,

or game listed in section 8(a)(1) of this chapter that are killed, maimed, or damaged by dogs ~~of all the townships~~ in the county, the distribution ~~shall be~~ **is** made**, except in a township located in a county having a consolidated city,** in the ratio of the orders drawn against the dog fund of the townships and unpaid and unprovided for. The ratio ~~shall be~~ **is** obtained from the report of the trustees of the townships made to the auditor of the county.

(h) The report under subsection (g) ~~shall be~~ **is** made by each township trustee of the county upon the first Monday of March of each year and must show the following:

(1) All receipts into the dog fund of the township.

(2) All orders drawn against the township fund in the order in which the orders were drawn.

(i) If the funds in the dog fund of any township and the share of the county dog fund distributed to such township during any year **or, in the case of a township located in a county having a consolidated city, the county dog fund,** are insufficient to pay for all stock, fowl, and game listed in section 8(a)(1) of this chapter that are killed, maimed, or damaged by dogs in such township **or county, as the case may be,** during such year, any such losses registered and any orders drawn which are unpaid and unprovided for ~~shall be~~ **are** paid out of the state dog account.

(j) If upon the first Monday in May of any year there is a surplus left of the county dog fund after provisions have been made for the payment of all stock, fowl, and game listed in section 8(a)(1) of this chapter that are killed, maimed, or damaged by dogs of all the townships of the county and the distribution to any designated humane society, the surplus ~~shall be.~~ **is:**

(1) paid to the auditor of state; and

(2) placed in a separate account of the general fund of the state treasury known as the state dog account.

SECTION 75. IC 15-5-9-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: Sec. 11. On or before the first day of May of each year, the trustee of each township shall make a report in writing, to the county auditor, of the amount of all claims in ~~his~~ **the trustee's** township for livestock, fowls, or game which have been destroyed or damaged by dogs, and which claims have been filed before March 9, 1937, or which may be filed thereafter but have not been paid for lack of funds. On or before the second Monday in May of each year, the auditor of each county, **or in a county having a consolidated city, the controller of the consolidated city,** shall make a report, in writing, to the auditor of state, in such form as the auditor of state shall prescribe, of the amount of all such claims in ~~his~~ **the** county which have been filed and which have not been paid for lack of funds, and on or before the second Monday in July, the auditor of state shall issue ~~his~~ **the auditor's** warrant, payable to the auditor of each such county **or, in a county having a consolidated city, the controller of the consolidated city,** for the amount of the unpaid claims. The warrant ~~shall be~~ **is** drawn on the state dog account. Upon the receipt of the money, the auditor of the county **or, in a county having a consolidated city, the controller of the consolidated city,** shall distribute the funds to the respective townships of ~~his~~ **the** county entitled thereto **or, in the case of a county having a consolidated city, to the appropriate fund of the consolidated city**, and the trustee of the township **or controller of a consolidated city** shall pay all unpaid claims of ~~his~~ **the** township **or county** in the order in which the claims were filed. If in any year there is not sufficient money in the state dog account to pay all of the claims, the auditor of state shall make such distribution, as near as practicable, in proportion to the aggregate value of livestock, fowls, or game for the destruction of which or the damage to which claims have been filed in the respective counties, and the county auditor**, except in a county having a consolidated city,** shall distribute the money so received to the several townships in the same proportion. All money in excess of fifty thousand dollars ($50,000) remaining in the state dog account, after such annual distribution shall have been made as hereinbefore provided, ~~shall be~~ **is** distributed by the auditor of state in the manner following:

~~(a)~~ **(1)** One-half (½) of such excess or one hundred thousand dollars ($100,000) of such excess, whichever sum is the lesser, ~~shall be~~ **is** distributed to Purdue University for the School of Veterinary Science and Medicine to be used solely for canine disease research.

~~(b)~~ **(2)** The balance remaining of such excess, after the distribution to Purdue University is made as hereinbefore provided, ~~shall be~~ **is** distributed to the general fund of each county in direct proportion to the total amount of money paid into the dog account on the second Monday in May by the county prior to the distribution.

Of the funds returned to the respective counties the county may, with the approval of the county commissioners and the county council, construct dog pounds within said counties.

SECTION 76. IC 15-5-9-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: Sec. 12. (a) At the time when the dog kennel license fee is paid to the ~~township~~ assessor, the assessor, at the time when the assessor issues a receipt, shall likewise furnish to the person a metal tag. The metal tag furnished shall be attached securely to the collar of the dog for which the license fee has been paid and the collar, with the tag attached, shall be worn continuously by the dog.

(b) All license tags shall be of uniform design or color for any one (1) year, but the same color or shape shall not be used for any two (2) consecutive years. All tags shall be designed by the auditor of state, shall be paid for out of the state dog account, and shall be manufactured at the state prison in the same manner as motor vehicle registration plates. Each tag shall have a distinct number and the number of the tag shall appear on the receipt issued to the owner of the dog.

(c) If any dog tag is lost, it shall be replaced without cost by the assessor upon application by the owner of the dog and upon the production of the receipt and a sworn statement of the facts regarding the loss of the tag. No license tag is transferable to another dog.

SECTION 77. IC 23-14-33-7.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: **Sec. 7.5. "Cemetery fund" means the:**

(1) township fund for a township in a county not having a consolidated city; or

(2) cemetery fund of the consolidated city for a township in a county having a consolidated city.

SECTION 78. IC 23-14-33-32.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: **Sec. 32.5. "Township" means:**

(1) a township in a county not having a consolidated city; or

(2) the consolidated city for a township in a county having a consolidated city.

SECTION 79. IC 23-14-33-32.6 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: **Sec. 32.6. "Township trustee" or "trustee" means:**

(1) a township trustee for a township in a county not having a consolidated city; or

(2) the consolidated city for a township in a county having a consolidated city.

SECTION 80. IC 23-14-64-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 4. All expenses incurred by the trustee in administering this chapter shall be paid out of the ~~township~~ **cemetery** fund of the township.

SECTION 81. IC 23-14-68-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 4. (a) The township shall appropriate enough money to provide for the care, repair, and maintenance of each cemetery described in section 1(a) of this chapter that is located within the township. Funds shall be appropriated under this subsection in the same manner as other ~~township~~ appropriations.

(b) The township may levy a ~~township~~ cemetery tax to create a fund for maintenance of cemeteries under this chapter. If a fund has not been provided for maintenance of cemeteries under this chapter, part of the township fund **or other funds of the township** may be used.

SECTION 82. IC 23-14-69-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 5. (a) If:

(1) no land suitable for a public cemetery is donated to a township; and

(2) ~~if~~ the township legislative body adopts a resolution

approving the purchase;

the township ~~executive~~ may purchase land for the purpose of establishing a public cemetery.

(b) When land is purchased and conveyed to the township under subsection (a), the land must be set apart, kept in repair, and used as provided in section 6 of this chapter.

SECTION 83. IC 23-14-69-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 9. All expenses incurred by the township trustee for administering this chapter shall be paid out of the ~~township~~ **cemetery** fund of the township.

SECTION 84. IC 27-10-2-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 12. (a) If a defendant does not appear as provided in the bond:

(1) the court shall:

(A) issue a warrant for the defendant's arrest; and

(B) order the bail agent and the surety to surrender the defendant to the court immediately;

(2) the clerk shall mail notice of the order to both:

(A) the bail agent; and

(B) the surety;

at each of the addresses indicated in the bonds; and

(3) if the defendant later is arrested or otherwise appears:

(A) the court shall order that the surety be released from the bond; and

(B) after the court issues an order under clause (A), the surety's original undertaking shall be reinstated if the surety files a written request for the reinstatement of the undertaking with the court.

This subsection may not be construed to prevent a court from revoking or resetting bail.

(b) The bail agent or surety must:

(1) produce the defendant; or

(2) prove within three hundred sixty-five (365) days:

(A) that the appearance of the defendant was prevented:

(i) by the defendant's illness or death;

(ii) because the defendant was at the scheduled time of appearance or currently is in the custody of the United States, a state, or a political subdivision of the United States or a state; or

(iii) because the required notice was not given; and

(B) the defendant's absence was not with the consent or connivance of the sureties.

(c) If the bail agent or surety does not comply with the terms of subsection (b) within one hundred twenty (120) days after the mailing of the notice required under subsection (a)(2), a late surrender fee shall be assessed against the bail agent or surety as follows:

(1) If compliance occurs more than one hundred twenty (120) days but not more than one hundred eighty (180) days after the mailing of notice, the late surrender fee is twenty percent (20%) of the face value of the bond.

(2) If compliance occurs more than one hundred eighty (180) days but not more than two hundred ten (210) days after the mailing of notice, the late surrender fee is thirty percent (30%) of the face value of the bond.

(3) If compliance occurs more than two hundred ten (210) days but not more than two hundred forty (240) days after the mailing of notice, the late surrender fee is fifty percent (50%) of the face value of the bond.

(4) If compliance occurs more than two hundred forty (240) days but not more than three hundred sixty-five (365) days after the mailing of notice, the late surrender fee is eighty percent (80%) of the face value of the bond.

(5) If the bail agent or surety does not comply with the terms of subsection (b) within three hundred sixty-five (365) days of the mailing of notice required under subsection (a)(2), the late surrender fee is eighty percent (80%) of the face value of the bond.

All late surrender fees are due as of the date of compliance with subsection (b) or three hundred sixty-five (365) days after the mailing of notice required under subsection (a)(2), whichever is earlier, and shall be paid by the surety when due. If the surety fails to pay, then the late surrender fees shall be paid by the commissioner as provided in subsection (f).

(d) If the bail agent or surety does not comply with the terms of subsection (b) within three hundred sixty-five (365) days of the mailing of notice required by subsection (a)(2), the court shall declare forfeited an amount equal to twenty percent (20%) of the face value of the bond. The court shall immediately enter judgment on the forfeiture, without pleadings and without change of judge or change of venue, and assess against the bail agent or surety all actual costs resulting from the defendant's failure to appear. These costs include jury fees, witness fees, and any other documented costs incurred by the court.

(e) Proceedings relative to the bond, forfeiture of a bond, judgment on the forfeiture, execution of judgment, or stay of proceedings shall be in the court in which the bond was posted. Costs and late surrender fee assessed against a bail agent or surety under subsection (c) shall be satisfied without further order of the court as provided in subsection (f). The court may waive the late surrender fee or extend the period for payment beyond the statutorily permitted period, or both, if the following conditions are met:

(1) A written request is filed with the court and the prosecutor.

(2) The surety or bail agent provides evidence satisfactory to the court that diligent efforts were made to locate the defendant.

(f) In the case of an insurer, if the fees, costs, or judgment is not paid, then the clerk shall mail the notice to the commissioner. The commissioner shall:

(1) within ten (10) days of receipt of the notice forward a copy by certified mail to the insurer;

(2) forty-five (45) days after receipt of the notice from the clerk, if the commissioner has not been notified by the clerk that the fees or judgment or both have been paid, pay the late surrender fee assessment, costs, and any judgment of forfeiture ordered by the court from funds the insurer has on deposit with the department of insurance;

(3) upon paying the assessment, costs, and judgment, if any, from funds on deposit, immediately revoke the license of the insurer, if the satisfaction causes the deposit remaining to be less than the amount required by this article; and

(4) within ten (10) days after revoking a license, notify the insurer and the insurer's agents and the clerk of each county in Indiana of the revocation and the insurer shall be prohibited from conducting a bail bond business in Indiana until the deposit has been replenished.

(g) The notice mailed by the clerk to the commissioner pursuant to the terms of subsection (f) shall include:

(1) the date on which the defendant originally failed to appear as provided in the bond;

(2) the date of compliance with subsection (b), if compliance was achieved within three hundred sixty-five (365) days after the mailing of the notice required by subsection (a)(2);

(3) the amount of the bond;

(4) the dollar amount of the late surrender fee due;

(5) the amount of costs resulting from the defendant's failure to appear; and

(6) if applicable, the dollar amount of the judgment of forfeiture entered by the court.

(h) Any surety on a bond may appeal to the court of appeals as in other civil cases without moving for a new trial, and on the appeal the evidence, if any, shall be reviewed.

(i) Fifty percent (50%) of the late surrender fees collected under this chapter shall be deposited in the police pension trust fund ~~established~~ under IC 36-8-10-12 **or IC 36-8-10.1-37** and the remaining fifty percent (50%) shall be deposited in the county extradition fund established under IC 35-33-14.

SECTION 85. IC 31-37-19-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 5. (a) This section applies if a child is a delinquent child under IC 31-37-1.

(b) The juvenile court may, in addition to an order under section 6 of this chapter, enter at least one (1) of the following dispositional decrees:

(1) Order supervision of the child by:

(A) the probation department; or

(B) the county office of family and children.

As a condition of probation under this subdivision, the juvenile court shall after a determination under IC 5-2-12-4 require a

child who is adjudicated a delinquent child for an act that would be an offense described in IC 5-2-12-4 if committed by an adult to register with the sheriff ~~(or the police chief of a consolidated city)~~ under IC 5-2-12.

(2) Order the child to receive outpatient treatment:

(A) at a social service agency or a psychological, a psychiatric, a medical, or an educational facility; or

(B) from an individual practitioner.

(3) Order the child to surrender the child's driver's license to the court for a specified period of time.

(4) Order the child to pay restitution if the victim provides reasonable evidence of the victim's loss, which the child may challenge at the dispositional hearing.

(5) Partially or completely emancipate the child under section 27 of this chapter.

(6) Order the child to attend an alcohol and drug services program established under IC 12-23-14.

(7) Order the child to perform community restitution or service for a specified period of time.

(8) Order wardship of the child as provided in section 9 of this chapter.

SECTION 86. IC 32-21-2-13 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: Sec. 13. (a) If the auditor of the county or the ~~township~~ assessor **for a township** under IC 6-1.1-5-9 and IC 6-1.1-5-9.1 determines it necessary, an instrument transferring fee simple title to less than the whole of a tract that will result in the division of the tract into at least two (2) parcels for property tax purposes may not be recorded unless the auditor or township assessor is furnished a drawing or other reliable evidence of the following:

(1) The number of acres in each new tax parcel being created.

(2) The existence or absence of improvements on each new tax parcel being created.

(3) The location within the original tract of each new tax parcel being created.

(b) Any instrument that is accepted for recording and placed of record that bears the endorsement required by IC 36-2-11-14 is presumed to comply with this section.

SECTION 87. IC 32-26-4-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 2. (a) The trustee of each township, the county highway superintendent, the Indiana department of transportation, or other officer in control of the maintenance of a highway shall between January 1 and April 1 of each year, examine all hedges, live fences, natural growths along highways, and other obstructions described in section 1 of this chapter in their respective jurisdictions. **However, in a county having a consolidated city, the duties and obligations of a township trustee under this chapter are the responsibility of the consolidated city.** If there are hedges, live fences, other growths, or obstructions along the highways that have not been cut, trimmed down, and maintained in accordance with this chapter, the owner shall be given written notice to cut or trim the hedge or live fence and to burn the brush trimmed from the hedge or live fence and remove any other obstructions or growths.

(b) The notice required under subsection (a) must be served by reading the notice to the owner or by leaving a copy of the notice at the owner's usual place of residence.

(c) If the owner is not a resident of the township, county, or state where the hedge, live fence, or other obstructions or growth is located, the notice shall be served upon the owner's agent or tenant residing in the township, **county, or state.** If an agent or a tenant of the owner does not reside in the township, the notice shall be served by mailing a copy of the notice to the owner, directed to the owner's last known post office address.

(d) If the owner, agents, or tenants do not proceed to cut and trim the fences and burn the brush trimmed from the fences or remove any obstructions or growths within ten (10) days after notice is served, the township trustee, **consolidated city,** county highway superintendent, or Indiana department of transportation shall immediately:

(1) cause the fences to be cut and trimmed or obstructions or growths removed in accordance with this chapter; and

(2) burn the brush trimmed from the fences.

All expenses incurred under this subsection shall be assessed against and become a lien upon the land in the same manner as road taxes.

(e) The township trustee, **consolidated city,** county highway superintendent, or Indiana department of transportation having charge of the work performed under subsection (d) shall prepare an itemized statement of the total cost of the work of removing the obstructions or growths and shall sign and certify the statement to the county auditor of the county in which the land is located. The county auditor shall place the statement on the tax duplicates. The county treasurer shall collect the costs entered on the duplicates at the same time and in the same manner as road taxes are collected. The treasurer may not issue a receipt for road taxes unless the costs entered on the duplicates are paid in full at the same time the road taxes are paid. If the costs are not paid when due, the costs shall become delinquent, bear the same interest, be subject to the same penalties, and be collected at the same time and in the same manner as other unpaid and delinquent taxes.

SECTION 88. IC 32-26-9-0.6 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: **Sec. 0.6. As used in this chapter, "township" means:**

(1) a township in a county not having a consolidated city; or

(2) the consolidated city for a township located in a county having a consolidated city.

SECTION 89. IC 32-26-9-0.7 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: **Sec. 0.7. As used in this chapter, "township trustee" or "trustee" means:**

(1) a township trustee for a township in a county not having a consolidated city; or

(2) the consolidated city for a township in a county having a consolidated city.

SECTION 90. IC 32-26-9-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 3. (a) A partition fence shall be built, rebuilt, and kept in repair at the cost of the property owners whose properties are enclosed or separated by the fences proportionately according to the number of rods or proportion of the fence the property owner owns along the line of the fence, whether the property owner's title is a fee simple or a life estate.

(b) If a property owner fails or refuses to compensate for building, rebuilding, or repairing the property owner's portion of a partition fence, another property owner who is interested in the fence, after having built, rebuilt, or repaired the property owner's portion of the fence, shall give to the defaulting property owner or the defaulting property owner's agent or tenant twenty (20) days notice to build, rebuild, or repair the defaulting property owner's portion of the fence. If the defaulting property owner or the defaulting property owner's agent or tenant fails to build, rebuild, or repair the fence within twenty (20) days, the complaining property owner shall notify the township trustee of the township in which the properties are located of the default.

(c) This subsection applies if the fence sought to be established, rebuilt, or repaired is on a township line. Unless disqualified under subsection (h), the complaining property owner shall notify the trustee of the township in which the property of the complaining property owner is located of the default under subsection (b), and the trustee has jurisdiction in the matter.

(d) The township trustee who receives a complaint under this section shall:

(1) estimate the costs for building, rebuilding, or repairing the partition fence; and

(2) within a reasonable time after receiving the complaint, make out a statement and notify the defaulting property owner of the probable cost of building, rebuilding, or repairing the fence.

If twenty (20) days after receiving a notice under this subsection the defaulting property owner has not built, rebuilt, or repaired the fence, the trustee shall build or repair the fence. The trustee may use only the materials for the fences that are most commonly used by the farmers of the community.

(e) If the trustee ~~of a township~~ is disqualified to act under subsection (h), the trustee of an adjoining township who resides nearest to where the fence is located shall act on the complaint upon receiving a notice by a property owner who is interested in the fence.

(f) A lawful partition fence is any one (1) of the following that is

sufficiently tight and strong to hold cattle, hogs, horses, mules, and sheep:

(1) A straight board and wire fence, a straight wire fence, a straight board fence, or a picket fence four (4) feet high.

(2) A straight rail fence four and one-half (4 ½) feet high.

(3) A worm rail fence five (5) feet high.

(g) This subsection applies if a ditch or creek crosses the division line between two (2) property owners, causing additional expense in the maintenance of the part over the stream. If the property owners cannot agree upon the proportionate share of each property owner, the township trustee shall appoint three (3) disinterested citizens who shall apportion the partition fence to be built by each property owner.

(h) If a township trustee is:

(1) related to any of the interested property owners; or

(2) an interested property owner;

the ~~trustee of any other township who resides nearest to where the fence is located shall~~ **township shall appoint another official to** act under this chapter.

(i) This subsection applies if a ditch or creek forms, covers, or marks the dividing line or a part of the dividing line between the properties of separate and different property owners so that partition fences required under this chapter cannot be built and maintained on the dividing line. The partition fences shall be built and maintained under this chapter as near to the boundary line as is practical, and each property owner shall build a separate partition fence on the property owner's property and maintain the fence at the property owner's cost.

(j) This subsection applies where a partition fence required under this chapter crosses a ditch or creek and it is impracticable to construct or maintain that portion of the fence that crosses the ditch or creek as a stationary fence. Instead of the portion of the fence that would cross the ditch or creek, there shall be constructed, as a part of the partition fence, floodgates or other similar structures that are sufficiently high, tight, and strong to turn hogs, sheep, cattle, mules, and horses or other domestic animals. The floodgates or other similar structures shall be constructed to swing up in times of high water and to connect continuously with the partition fences.

(k) This subsection applies if the building and maintenance of the floodgates or other similar structure required under subsection (j) causes additional expenses and the property owners cannot agree upon the character of floodgates or other similar structure, or upon the proportionate share of the cost to be borne by each property owner. The township trustee, upon notice in writing from either property owner of a disagreement and the nature of the disagreement, shall appoint three (3) disinterested citizens of the township who shall determine the kind of structure and apportion the cost of the floodgate or other structure between the property owners, taking into consideration the parts of the fence being maintained by each property owner.

(l) The determination of a majority of the arbitrators of any matter or matters submitted to them under this section is final and binding on each property owner. The compensation of the arbitrators is two dollars ($2) each, which shall be paid by the property owners in the proportion each property owner is ordered to bear the expense of a gate or structure.

(m) This subsection applies if either or both of the property owners fail to construct or compensate for constructing the structure determined upon by the arbitrators in the proportion determined within thirty (30) days after the determination. The township trustee shall proceed at once to construct the gate or structure and collect the cost of the gate or structure, including the compensation of the arbitrators, from the defaulting property owner in the same manner as is provided for ordinary partition fences. The floodgate or other structure shall be repaired, rebuilt, or replaced according to the determination of the arbitrators.

SECTION 91. IC 32-28-3-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: Sec. 1. (a) A contractor, a subcontractor, a mechanic, a lessor leasing construction and other equipment and tools, whether or not an operator is also provided by the lessor, a journeyman, a laborer, or any other person performing labor or furnishing materials or machinery, including the leasing of equipment or tools, for:

(1) the erection, alteration, repair, or removal of:

(A) a house, mill, manufactory, or other building; or

(B) a bridge, reservoir, system of waterworks, or other structure;

(2) the construction, alteration, repair, or removal of a walk or sidewalk located on the land or bordering the land, a stile, a well, a drain, a drainage ditch, a sewer, or a cistern; or

(3) any other earth moving operation;

may have a lien as set forth in this section.

(b) A person described in subsection (a) may have a lien separately or jointly upon the:

(1) house, mill, manufactory, or other building, bridge, reservoir, system of waterworks, or other structure, sidewalk, walk, stile, well, drain, drainage ditch, sewer, cistern, or earth:

(A) that the person erected, altered, repaired, moved, or removed; or

(B) for which the person furnished materials or machinery of any description; and

(2) on the interest of the owner of the lot or parcel of land:

(A) on which the structure or improvement stands; or

(B) with which the structure or improvement is connected;

to the extent of the value of any labor done or the material furnished, or both, including any use of the leased equipment and tools.

(c) All claims for wages of mechanics and laborers employed in or about a shop, mill, wareroom, storeroom, manufactory or structure, bridge, reservoir, system of waterworks or other structure, sidewalk, walk, stile, well, drain, drainage ditch, cistern, or any other earth moving operation ~~shall be~~ **are** a lien on all the:

(1) machinery;

(2) tools;

(3) stock;

(4) material; or

(5) finished or unfinished work;

located in or about the shop, mill, wareroom, storeroom, manufactory or other building, bridge, reservoir, system of waterworks, or other structure, sidewalk, walk, stile, well, drain, drainage ditch, sewer, cistern, or earth used in a business.

(d) If the person, firm, limited liability company, or corporation described in subsection (a) is in failing circumstances, the claims described in this section ~~shall be~~ **are** preferred debts whether a claim or notice of lien has been filed.

(e) Subject to subsection (f), a contract:

(1) for the construction, alteration, or repair of a Class 2 structure (as defined in IC 22-12-1-5);

(2) for the construction, alteration, or repair of an improvement on the same real estate auxiliary to a Class 2 structure (as defined in IC 22-12-1-5);

(3) for the construction, alteration, or repair of property that is:

(A) owned, operated, managed, or controlled by a:

(i) public utility (as defined in IC 8-1-2-1);

(ii) municipally owned utility (as defined in IC 8-1-2-1);

(iii) joint agency (as defined in IC 8-1-2.2-2);

(iv) rural electric membership corporation formed under IC 8-1-13-4;

(v) rural telephone cooperative corporation formed under IC 8-1-17; or

(vi) not-for-profit utility (as defined in IC 8-1-2-125);

regulated under IC 8; and

(B) intended to be used and useful for the production, transmission, delivery, or furnishing of heat, light, water, telecommunications services, or power to the public; or

(4) to prepare property for Class 2 residential construction;

may include a provision or stipulation in the contract of the owner and principal contractor that a lien may not attach to the real estate, building, structure, or any other improvement of the owner.

(f) A contract containing a provision or stipulation described in subsection (e) must meet the requirements of this subsection to be valid against subcontractors, mechanics, journeymen, laborers, or persons performing labor upon or furnishing materials or machinery for the property or improvement of the owner. The contract must:

(1) be in writing;

(2) contain specific reference by legal description of the real estate to be improved;

(3) be acknowledged as provided in the case of deeds; and

(4) be filed and recorded in the recorder's office of the county in which the real estate, building, structure, or other improvement is situated not more than five (5) days after the date of execution of the contract.

A contract containing a provision or stipulation described in subsection (e) does not affect a lien for labor, material, or machinery supplied before the filing of the contract with the recorder.

(g) Upon the filing of a contract under subsection (f), the recorder shall:

(1) record the contract at length in the order of the time it was received in books provided by the recorder for that purpose;

(2) index the contract in the name of the:

(A) contractor; and

(B) owner;

in books kept for that purpose; and

(3) collect a fee for recording the contract as is provided for the recording of deeds and mortgages.

(h) A person, firm, partnership, limited liability company, or corporation that sells or furnishes on credit any material, labor, or machinery for the alteration or repair of an owner occupied single or double family dwelling or the appurtenances or additions to the dwelling to:

(1) a contractor, subcontractor, mechanic; or

(2) anyone other than the occupying owner or the owner's legal representative;

must furnish to the occupying owner of the parcel of land where the material, labor, or machinery is delivered a written notice of the delivery or work and of the existence of lien rights not later than thirty (30) days after the date of first delivery or labor performed. The furnishing of the notice is a condition precedent to the right of acquiring a lien upon the lot or parcel of land or the improvement on the lot or parcel of land.

(i) A person, firm, partnership, limited liability company, or corporation that sells or furnishes on credit material, labor, or machinery for the original construction of a single or double family dwelling for the intended occupancy of the owner upon whose real estate the construction takes place to a contractor, subcontractor, mechanic, or anyone other than the owner or the owner's legal representatives must:

(1) furnish the owner of the real estate:

(A) as named in the latest entry in the transfer books described in IC 6-1.1-5-4 of the county auditor; or

(B) if IC 6-1.1-5-9 applies, as named in the transfer books of the ~~township~~ assessor **for the township;**

with a written notice of the delivery or labor and the existence of lien rights not later than sixty (60) days after the date of the first delivery or labor performed; and

(2) file a copy of the written notice in the recorder's office of the county not later than sixty (60) days after the date of the first delivery or labor performed.

The furnishing and filing of the notice is a condition precedent to the right of acquiring a lien upon the real estate or upon the improvement constructed on the real estate.

(j) A lien for material or labor in original construction does not attach to real estate purchased by an innocent purchaser for value without notice of a single or double family dwelling for occupancy by the purchaser unless notice of intention to hold the lien is recorded under section 3 of this chapter before recording the deed by which the purchaser takes title.

SECTION 92. IC 32-28-3-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: Sec. 3. (a) Except as provided in subsection (b), a person who wishes to acquire a lien upon property, whether the claim is due or not, must file in duplicate a sworn statement and notice of the person's intention to hold a lien upon the property for the amount of the claim:

(1) in the recorder's office of the county; and

(2) not later than ninety (90) days after performing labor or furnishing materials or machinery described in section 1 of this chapter.

The statement and notice of intention to hold a lien may be verified and filed on behalf of a client by an attorney registered with the clerk of the supreme court as an attorney in good standing under the requirements of the supreme court.

(b) This subsection applies to a person that performs labor or furnishes materials or machinery described in section 1 of this chapter related to a Class 2 structure (as defined in IC 22-12-1-5) or an improvement on the same real estate auxiliary to a Class 2 structure (as defined in IC 22-12-1-5). A person who wishes to acquire a lien upon property, whether the claim is due or not, must file in duplicate a sworn statement and notice of the person's intention to hold a lien upon the property for the amount of the claim:

(1) in the recorder's office of the county; and

(2) not later than sixty (60) days after performing labor or furnishing materials or machinery described in section 1 of this chapter.

The statement and notice of intention to hold a lien may be verified and filed on behalf of a client by an attorney registered with the clerk of the supreme court as an attorney in good standing under the requirements of the supreme court.

(c) A statement and notice of intention to hold a lien filed under this section must specifically set forth:

(1) the amount claimed;

(2) the name and address of the claimant;

(3) the owner's:

(A) name; and

(B) latest address as shown on the property tax records of the county; and

(4) the:

(A) legal description; and

(B) street and number, if any;

of the lot or land on which the house, mill, manufactory or other buildings, bridge, reservoir, system of waterworks, or other structure may stand or be connected with or to which it may be removed.

The name of the owner and legal description of the lot or land will be sufficient if they are substantially as set forth in the latest entry in the transfer books described in IC 6-1.1-5-4 of the county auditor or, if IC 6-1.1-5-9 applies, the transfer books of the ~~township~~ assessor **for the township** at the time of filing of the notice of intention to hold a lien.

(d) The recorder shall:

(1) mail, first class, one (1) of the duplicates of the statement and notice of intention to hold a lien to the owner named in the statement and notice not later than three (3) business days after recordation;

(2) post records as to the date of the mailing; and

(3) collect a fee of two dollars ($2) from the lien claimant for each statement and notice that is mailed.

The statement and notice shall be addressed to the latest address of the owner as specifically set out in the sworn statement and notice of the person intending to hold a lien upon the property.

SECTION 93. IC 32-31-3-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 11. (a) The following courts have original and concurrent jurisdiction in cases arising under this chapter:

(1) A circuit court.

(2) A superior court.

(3) A county court.

(4) A municipal court.

~~(5) A small claims court.~~

(b) A case arising under this chapter may be filed on the small claims docket of a court that has jurisdiction.

SECTION 94. IC 33-23-11-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 7. (a) As used in this chapter, "judge" means a judge of the court of appeals, the tax court, ~~or~~ a circuit, superior, county, ~~small claims,~~ or probate court, **or a small claims judge (as defined in IC 33-33-49-5.2).**

(b) The term includes a judge pro tempore, commissioner, or hearing officer if the judge pro tempore, commissioner, or hearing officer sits more than twenty (20) days other than Saturdays, Sundays, or holidays in one (1) calendar year as a judge, commissioner, or hearing officer in any court.

SECTION 95. IC 33-23-12-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 2. (a) As used in this chapter, "court employee" means a person employed by any of the following:

(1) The supreme court.
(2) The court of appeals.
(3) The tax court.
(4) A circuit court.
(5) A superior court.
(6) A juvenile court.
(7) A probate court.
(8) A county court.
(9) A municipal court.
(10) A city or town court.
~~(11) A small claims court.~~

(b) The term does not include a judge **or small claims judge (as defined in IC 33-33-49-5.2)** of any of the courts listed in subsection (a)(1) through ~~(a)(11).~~ **(a)(10).**

SECTION 96. IC 33-24-5-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 2. The sheriff of the supreme court, ~~or~~ a county police officer, **or an officer of a metropolitan law enforcement agency** shall:
(1) attend the court in term time;
(2) execute the orders of the court;
(3) preserve order within the court; and
(4) execute all process issued out of the court.

SECTION 97. IC 33-30-2-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 1. A county court is established in each county, except in a county for which:
(1) IC 33-33 provides a small claims docket of the circuit court; **or**
(2) IC 33-33 provides a small claims docket of the superior court. ~~or~~
~~(3) IC 33-34 provides a small claims court.~~

SECTION 98. IC 33-33-49-5.1 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: **Sec. 5.1. (a) As used in this chapter, "judge" means a person elected under section 13 of this chapter.**
(b) The term does not include a small claims judge.

SECTION 99. IC 33-33-49-5.2 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: **Sec. 5.2. As used in this chapter, "small claims judge" means a person elected under:**
(1) section 13.1 of this chapter; or
(2) IC 33-34-2-1 (before its repeal).

SECTION 100. IC 33-33-49-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 6. (a) There is established a superior court in Marion County. The court consists of **the following:**
(1) Thirty-two (32) judges.
(2) Nine (9) small claims judges.

(b) To be qualified to serve as a judge of the court, a person must be, at the time a declaration of candidacy or a petition of nomination under IC 3-8-6 is filed:
(1) a resident of Marion County; and
(2) an attorney who has been admitted to the bar of Indiana for at least five (5) years.

(c) To be qualified to serve as a small claims judge, a person must meet the qualifications described in IC 3-8-1-30.

~~(c)~~ **(d)** During the term of office:
(1) a judge of the court must remain a resident of Marion County; **and**
(2) a small claims judge must remain a resident of:
(A) Marion County; and
(B) the township from which the small claims judge was elected.

SECTION 101. IC 33-33-49-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 9. **(a) Except as provided in subsection (b),** the court has the following jurisdiction:
(1) Concurrent and coextensive jurisdiction with the Marion circuit court in all cases and upon all subject matters, including civil, criminal, juvenile, probate, and statutory cases and matters, whether original or appellate.
(2) Original and exclusive jurisdiction in all matters pertaining to the following:
(A) The probate and settlement of decedents' estates, trusts, and guardianships.
(B) The probate of wills.
(C) Proceedings to resist the probate of wills.
(D) Proceedings to contest wills.
(E) The appointment of guardians, assignees, executors, administrators, and trustees.
(F) The administration and settlement of:
(i) estates of protected persons (as defined in IC 29-3-1-13) and deceased persons;
(ii) trusts, assignments, adoptions, and surviving partnerships; and
(iii) all other probate matters.
(3) Original jurisdiction of all violations of Indiana law. Whenever jurisdiction is by law conferred on a small claims court, the court has the appellate jurisdiction provided by law.
(4) Original and exclusive juvenile jurisdiction.

(b) The small claims division of the court established in section 14(c)(5) of this chapter has the following jurisdiction:
(1) The small claims division of the court has original and concurrent jurisdiction with the court and the Marion circuit court in all civil cases founded on contract or tort in which the debt or damage claimed does not exceed six thousand dollars ($6,000), not including interest or attorney's fees.
(2) The small claims division of the court has original and concurrent jurisdiction with the court and the Marion circuit court in possessory actions between landlord and tenant in which the past due rent at the time of filing does not exceed six thousand dollars ($6,000), not including interest or attorney's fees.
(3) The small claims division of the court has original and concurrent jurisdiction with the court and the Marion circuit court in actions for the possession of property where the value of the property sought to be recovered does not exceed six thousand dollars ($6,000), not including interest and attorney's fees.
(4) The small claims division of the court has original and concurrent jurisdiction with the court and the Marion circuit court in emergency possessory actions between a landlord and tenant under IC 32-31-6.
(5) The small claims division of the court does not have jurisdiction in the following:
(A) Actions seeking injunctive relief or involving partition of real estate.
(B) Actions to declare or enforce a lien, except as provided in section 20.5 of this chapter.
(C) Actions in which the appointment of a receiver is asked.
(D) Suits for dissolution or annulment of marriage.

SECTION 102. IC 33-33-49-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 10. **(a) Except as provided in subsection (b),** the court is a court of record. The court's judgments, decrees, orders, and proceedings have the same effect and shall be enforced in the same manner as those of the circuit court.

(b) The small claims division of the court is not a court of record.

SECTION 103. IC 33-33-49-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 11. (a) The court may adopt rules for conducting the business of the court. Except as provided in subsection (b), in all matters action of the court may only be taken by a vote of a majority of the judges sitting at the time the vote is taken.

(b) Action of the court to remove the presiding judge or either associate presiding judge may only be taken by a vote of two-thirds (2/3) of the judges sitting at the time the vote is taken.

(c) The court has all the powers incident to a court of record in relation to the attendance of witnesses, punishment of contempts, and enforcement of the court's orders. The judges **and small claims judges** may administer oaths, solemnize marriages, take and certify acknowledgments of deeds and all legal instruments, and ~~to~~ give all necessary certificates for the authentication of the records and

proceedings in the court.

SECTION 104. IC 33-33-49-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 12. **A judge of** the court may do the following:

(1) Grant restraining orders and injunctions.
(2) Issue writs of habeas corpus.
(3) Appoint receivers, masters, and commissioners to:
(A) convey real property;
(B) grant commissions for the examination of witnesses; and
(C) appoint other officers necessary to transact the business of the court.

SECTION 105. IC 33-33-49-13.1 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: **Sec. 13.1. (a) A small claims judge shall be elected for a term of four (4) years that begins January 1 after the year of the small claims judge's election and continues through December 31 in the fourth year. The small claims judge shall hold office for the four (4) year term or until the small claims judge's successor is elected and qualified.**

(b) A small claims judge shall be elected at the general election every four (4) years by the registered voters residing within the township in which the small claims division of the court is located.

SECTION 106. IC 33-33-49-13.2 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: **Sec. 13.2. (a) A small claims judge serving part time may participate in other gainful employment if the employment does not:**

(1) interfere with the exercise of the small claims judge's judicial office; or
(2) involve any conflict of interest in the performance of the small claims judge's judicial duties.

(b) A small claims judge serving full time may practice law if the practice does not conflict in any way with the small claims judge's official duties and does not:

(1) cause the small claims judge to be unduly absent from the court; or
(2) interfere with the ready and prompt disposal of the small claims judge's judicial duties.

(c) A small claims judge and the employees of the small claims division of the court may be eligible to participate in the public employees' retirement fund as provided in IC 5-10.3, but a small claims judge is not eligible to participate as a member in the judges' retirement fund under IC 33-38.

(d) A vacation of one (1) month per year shall be provided for a full-time small claims judge. The executive committee may authorize the appointment of a small claims judge pro tempore to handle the judicial business of the vacationing small claims judge if the executive committee considers it necessary.

SECTION 107. IC 33-33-49-13.3 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: **Sec. 13.3. A small claims judge shall:**

(1) furnish a bond in a sum required by the circuit court judge to provide for the:
(A) faithful discharge of the duties of the office; and
(B) payment or delivery to the proper persons of whatever money or other property may come into the small claims judge's hands when acting as small claims judge; and
(2) file the bond with the county recorder.

The bond must also extend to cover a person that is appointed to act as a small claims judge under IC 33-33-49-13.4.

SECTION 108. IC 33-33-49-13.4 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: **Sec. 13.4. (a) If a small claims judge is unable to preside over the small claims judge's division of the small claims court during any number of days, the small claims judge may appoint in writing a person qualified to be a small claims judge under section 6(c) of this chapter to preside in place of the small claims judge.**

(b) The written appointment shall be entered on the order book or record of the superior court. The appointee shall, after taking the oath prescribed for the small claims judges, conduct the business of the division subject to the same rules and regulations as small claims judges and has the same authority during the continuance of the appointee's appointment.

(c) The appointee is entitled to the same compensation from the county auditor as accruable to the small claims judge in whose place the appointee is serving.

SECTION 109. IC 33-33-49-13.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: **Sec. 13.5. (a) A small claims judge absent from the bench for more than thirty (30) days shall deposit the dockets, books, and papers of the office with:**

(1) the small claims judge of another township division; or
(2) the executive committee of the court;

as directed by the presiding judge.

(b) A:

(1) small claims judge with whom the docket of another small claims judge is deposited during a vacancy or an absence; and
(2) successor of any small claims judge who has the dockets of the successor's predecessor in the successor's possession;

may perform all duties that the small claims judge might do legally in relation to the small claims judge's own dockets.

(c) Process shall be returned to the small claims judge or judge who has the legal custody of the docket at the day of return.

SECTION 110. IC 33-33-49-14 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 14. (a) Not more than thirty (30) days after taking the oath of office, the judges shall meet and designate three (3) of the judges as the executive committee for administrative purposes. The executive committee shall be selected by a vote of two-thirds (2/3) of the judges sitting at the time the vote is taken. If all vacancies cannot be filled by a two-thirds (2/3) vote, vacancies may be filled by such other method as provided by court rule. The executive committee is responsible for the operation and conduct of the court. A member of the executive committee shall serve in the capacity provided by rules adopted by the court under section 11 of this chapter. A member of the executive committee serves for a term of two (2) years beginning on the date of the member's election. Any or all of the members elected to the executive committee may be reelected. Of the three (3) judges elected to the executive committee, not more than two (2) may be members of the same political party.

(b) One (1) of the three (3) judges elected to the executive committee shall be elected as presiding judge and two (2) of the three (3) judges elected to the executive committee shall be elected as associate presiding judges. Each judge who is a member of the executive committee has an equal vote in all matters pertaining to the business of the court when an action requires a majority vote. Any action taken by the executive committee may be overruled by a vote of two-thirds (2/3) of all the judges sitting at the time the vote is taken. The physical reassignment of a judge to a different courtroom requires a unanimous vote of the executive committee. The executive committee shall assign cases, offices, and courtrooms for trial judges or reassignment of newly filed cases in the interests of the speedy, economical, and uniform disposition of cases. All matters of trial dates, continuances, and subpoenas used for trial shall be determined by the trial judge in accordance with rules of the superior court. The executive committee shall perform other duties as determined by rules of the court.

(c) The court shall, by rules of the court, divide the work of the court into various divisions, including but not limited to the following:

(1) Civil.
(2) Criminal.
(3) Probate.
(4) Juvenile.
(5) Small claims.

(d) The work of each division shall be allocated by the rules of the court, **except to the extent that the work of the small claims division is otherwise provided by law. The judges shall extend aid and assistance to the small claims judges in the conduct of the small claims division of the court.**

(e) The judges shall be assigned to various divisions or rooms as

provided by rules of the court. Whenever possible, an incumbent judge shall be allowed the option of remaining in a particular room or division. Whenever any action of the court is required, the judges of the court shall act in concert, by a vote under section 11 of this chapter. The court shall keep appropriate records of rules, orders, and assignments of the court.

(f) The executive committee of the court, assisted by the small claims judges, shall make and adopt uniform rules for conducting the business of the small claims division of the court:

(1) according to a simplified procedure; and

(2) in the spirit of sections 20.1 and 20.3 of this chapter.

(g) The executive committee of the court, assisted by the small claims judges, may establish a regular hourly schedule for the performance of duties by full-time and part-time small claims judges. A small claims judge shall maintain the schedule. If the executive committee of the court does not establish a regular hourly schedule, the small claims judge shall perform the small claims judge's duties at regular, reasonable hours. Regardless of whether a regular hourly schedule has been established under this subsection, a small claims judge shall hold sessions in addition to the small claims judge's regular schedule when the business of the small claims judge's court requires.

SECTION 111. IC 33-33-49-14.1 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: **Sec. 14.1. The small claims division of the court is composed of township divisions. The name of each township division shall be the "_____ Township of Marion County Small Claims Division".**

SECTION 112. IC 33-33-49-14.2 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: **Sec. 14.2. (a) The voters of each township having a small claims division of the court shall elect a small claims constable at the general election every four (4) years for a term of office of four (4) years, beginning January 1 after election and continuing until a successor is elected and qualified. The ballot must state the:**

(1) name of the candidate; and

(2) division of the court for which the candidate is to serve.

(b) Each township small claims division of the court shall have a constable who:

(1) acts as the bailiff;

(2) serves the division's personal service of process;

(3) has police powers to:

(A) make arrests;

(B) keep the peace; and

(C) carry out the orders of the court;

(4) meets the qualifications prescribed by IC 3-8-1-31;

(5) is compensated for each process that is delivered to effect personal service when serving as the bailiff;

(6) is responsible for:

(A) the preparation and mailing of all registered or certified service and is compensated for each process served by mail; and

(B) all the official acts of the deputies;

(7) is compensated solely from the service of process fees collected under IC 33-37-4-6.5; and

(8) may require a deputy to give a bond for the proper discharge of the deputy's duties for an amount fixed by the constable.

(c) The elected constable may appoint full-time and part-time deputies for assistance in the performance of official duties who:

(1) perform all the official duties required to be performed by the constable;

(2) possess the same statutory and common law powers and authority as the constable;

(3) must take the same oath required of the constable;

(4) are compensated solely from the service of process fees collected under IC 33-37-4-6.5; and

(5) serve at the pleasure of the constable and may be dismissed at any time with or without cause.

(d) If there is an:

(1) emergency; or

(2) inability of a constable to carry out the constable's duties;

the small claims judge may appoint a special constable to carry out the duties of the constable during the emergency or inability.

SECTION 113. IC 33-33-49-15 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 15. (a) The executive committee, with the approval of two-thirds (2/3) of the judges, shall determine the number of hearing judges, commissioners, referees, bail commissioners, court reporters, probation officers, and other personnel required to efficiently serve the court. The salaries of the personnel shall be fixed and paid as provided by law.

(b) The administrative officers shall perform the duties prescribed by the executive committee and shall operate under the jurisdiction of the executive committee and serve at the pleasure of the executive committee.

(c) The executive committee shall see that the court at all times is amply provided with supplies and sufficient clerical and other help, including extra reporters or bailiffs, when needed. Each judge shall appoint the judge's court reporters, bailiffs, secretary, commissioners, and clerks. **Personnel of the small claims division of the court shall be appointed under rules of the court.** In addition to the specified duties of this subsection, the executive committee shall exercise any other powers and duties that may be assigned to the executive committee by an order book entry signed by a two-thirds (2/3) majority of the judges. At least once each month, a general term conference of all superior division judges must be held, at which the presiding judge shall preside. A special order book must be kept for the court in which shall be entered all special rules, proceedings, and similar matters. During an absence or a vacation of a judge who is a member of the executive committee, the senior superior court judge shall act for the absent member, if necessary.

SECTION 114. IC 33-33-49-17 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 17. (a) **Except as provided in subsection (b),** the court shall hold sessions in:

(1) the city-county building in Indianapolis; and

(2) other places in Marion County as the court determines.

(b) The city-county council shall:

(1) provide and maintain in the building and at other places in Marion County as the court may determine suitable and convenient courtrooms for the holding of the court, suitable and convenient jury rooms, and offices for the judges, other court officers and personnel, and other facilities as are necessary; ~~and~~

(2) provide all necessary furniture and equipment for rooms and offices of the court;

(3) determine whether each of the township divisions of the small claims division of the court shall be a full-time or part-time division;

(4) determine where each of the township divisions of the small claims division of the court shall hold sessions; and

(5) in making the determination required by subdivision (4), consider any recommendations of the transitional advisory board established in IC 36-6-1.1.

SECTION 115. IC 33-33-49-19 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 19. The court shall maintain a single order book for each division or room of the court that may be signed on behalf of the court by the judge **or small claims judge** of that division or room of the court. The signature of the judge **or small claims judge** authenticates the actions of the court.

SECTION 116. IC 33-33-49-20 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 20. **Except as otherwise provided in this chapter concerning the small claims division of the court,** all laws of Indiana and rules adopted by the supreme court governing the circuit court in matters of pleadings, practice, the issuing and service of process, the giving of notice, the appointing of judges pro tempore and special judges, changes of venue from the judge and from the county, adjournments by the court and by the clerk in the absence of the judge, and the selection of jurors for the court apply to and govern the court.

SECTION 117. IC 33-33-49-20.1 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: **Sec. 20.1. A simplified procedure applies to and governs the small claims division of the court. The simplified procedure shall be established by rule to enable any person, including the state, to:**

(1) file the necessary papers; and

(2) present the person's case in court;
either to seek or to defend against a small claim without consulting or being represented by an attorney.

SECTION 118. IC 33-33-49-20.2 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: **Sec. 20.2. (a) Upon the filing of a complaint in the small claims division of the court, service of original process shall be attempted by personal service of the summons and complaint on the defendant, which may include leaving a copy of the service at the last known place of residence of the party if the process server properly describes on the return the residence, noting any of its unique features, and mailing by first class a copy of the service without charge to the party at the same last known place of residence.**

(b) If service cannot be made in this manner, service of process shall be made in an alternate manner as provided by the Indiana Rules of Civil Procedure.

(c) Subsequent service of process, other than that originally served upon filing of the complaint, may be made by registered or certified mail or another manner authorized by the Indiana Rules of Civil Procedure.

SECTION 119. IC 33-33-49-20.3 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: **Sec. 20.3. (a) A trial in the small claims division of the court:**

(1) must be informal, with the sole objective of dispensing speedy justice between the parties according to the rules of substantive law; and

(2) may not be bound by the statutory provisions or rules of practice, procedure, pleadings, or evidence, except the provisions relating to privileged communications and offers of compromise.

(b) There may not be a trial by jury in the small claims division of the court.

(c) A filing of a civil claim in the small claims division of the court constitutes a waiver of trial by jury by the plaintiff.

(d) A defendant in a small claims case waives the right to trial by jury unless the defendant requests a jury trial at least three (3) calendar days before the trial date that appears on the complaint. Upon the filing of a jury trial request, the small claims division of the court shall transfer the claim out of the small claims division to the general jurisdiction of the court. The defendant shall pay all costs necessary for filing the claim in the general jurisdiction of the court as if the cause had been filed initially in the general jurisdiction of the court.

(e) A notice of claim filed in the small claims division of the court must include a statement that reflects the provisions of subsection (d).

SECTION 120. IC 33-33-49-20.4 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: **Sec. 20.4. (a) Except for a claim between landlord and tenant, a case within the jurisdiction of a township small claims division may be:**

(1) venued;

(2) commenced; and

(3) decided;

in any township small claims division within the county. However, upon a motion for change of venue filed by the defendant within ten (10) days of service of the summons, the township small claims division in which the motion was filed shall determine in accordance with subsection (b) whether required venue lies with it or with another township small claims division in the county in which the small claims action was filed.

(b) The venue determination to be made under subsection (a) must be made in the following order:

(1) In an action upon a debt or an account, venue is in the township where any defendant has consented to venue in a writing signed by the defendant.

(2) Venue is in the township where a transaction or occurrence giving rise to any part of the claim took place.

(3) Venue is in the township (in a county of the small claims division) where the greater percentage of individual defendants included in the complaint resides or, if there is not a greater percentage, the place where any individual named as a defendant:

(A) resides;

(B) owns real estate; or

(C) rents an apartment or real estate or where the principal office or place of business of any defendant is located.

(4) Venue is in the township where the claim was filed if there is no other township in the county in which the small claims division sits in which required venue lies.

(c) Venue of any claim between landlord and tenant must be in the township where the real estate is located.

(d) If a written motion challenging venue is received by the township small claims division, the township small claims division shall rule whether required venue lies in the township of filing.

SECTION 121. IC 33-33-49-20.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: **Sec. 20.5. (a) If the small claims judgment or order is against the defendant, the defendant shall pay the judgment at any time and upon terms and conditions as the small claims judge orders.**

(b) If the small claims judge orders that the judgment be paid in specified installments, the small claims judge may stay the issuance of execution and other supplementary process during the period of compliance with the order.

(c) A stay ordered under subsection (b) may be modified or vacated by the small claims division of the court.

(d) All small claims judgments rendered in civil actions may be recorded in the judgment docket book of the proper township small claims division of the court.

(e) A judgment entered by a small claims judge is a lien on real estate when entered in the circuit court judgment docket in the same manner as a judgment in a court of general jurisdiction becomes a lien on real estate under IC 34-55-9.

(f) The judgments of the small claims division of the court shall be entered and properly indexed in the name of the judgment defendant as judgments of the general jurisdiction of the court are entered and indexed.

SECTION 122. IC 33-33-49-22 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 22. **(a)** A party may appeal an order or a judgment of the court in any case where an appeal may be had from a similar order or judgment of the circuit court.

(b) All appeals from judgments of the small claims division of the court shall be taken to the general jurisdiction of the court and tried de novo. The rules of procedure for appeals must be in accordance with the rules established by the court. The appellant shall pay all costs necessary for the filing of the case in the general jurisdiction of the court as if the appeal were a case that had been filed initially in the general jurisdiction of the court.

SECTION 123. IC 33-33-49-24 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 24. **(a)** The judge of the Marion circuit court may, with the consent of the court acting through the superior court presiding judge under rules adopted by the court, transfer any action, cause, or proceeding filed and docketed in the circuit court to the court by transferring all original papers and instruments filed in that action, cause, or proceeding without further transcript to be redocketed and disposed of as if originally filed with the court.

(b) The superior court presiding judge may not consent to a transfer to the small claims division of the court unless:

(1) the small claims division of the court has jurisdiction of the cause concurrent with the circuit court; and

(2) the small claims judge consents to the transfer.

SECTION 124. IC 33-33-49-25.1 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: **Sec. 25.1. (a) A judge of the court may order a cause filed in the general jurisdiction of the court to be transferred to the small claims division of the court if:**

(1) the small claims division of the court has jurisdiction of the cause concurrent with the general jurisdiction of the court; and

(2) the small claims judge consents to the transfer.

(b) The presiding judge may transfer cases from one (1)

township small claims division of the court to another as necessary.

SECTION 125. IC 33-33-49-26 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 26. The judge of the Marion circuit court may sit as a judge **or small claims judge** of the court, with the court's permission, in all matters pending before the court, without limitation and without any further order, in the same manner as a judge of the court with all the rights and powers of an elected judge **or small claims judge** of the court.

SECTION 126. IC 33-33-49-26.1 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: **Sec. 26.1. (a) A judge of the court may sit as a special small claims judge in the small claims division of the court.**

(b) Except for mileage and travel expenses, a judge serving as a special small claims judge under this section may not receive compensation in addition to the salary provided under this article.

(c) A small claims judge may sit in place of another small claims judge and perform the other small claims judge's duties:

(1) at the direction of or with the approval of the presiding judge; and

(2) with the consent of the respective judges.

SECTION 127. IC 33-33-49-27 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 27. Each judge **and small claims judge,** before entering upon the duties of office, shall take and subscribe the following oath or affirmation:

"I solemnly swear (or affirm) that I will support the Constitution of the United States and the Constitution of the State of Indiana and that I will faithfully discharge the duties of (judge **or small claims judge)** of the superior court of Marion County to the best of my ability.".

The oath shall be filed with the clerk of the county.

SECTION 128. IC 33-33-49-30 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 30. (a) A judge remains qualified to hold office as long as the judge:

(1) remains fair and impartial in judicial functions;

(2) maintains a high standard of morality in dealings, public and private;

(3) remains physically and mentally capable of performing all the functions and duties of the office of judge; and

(4) continues to reside in Marion County.

(b) A small claims judge remains qualified to hold office as long as the small claims judge meets the requirements of subsection (a) and:

(1) continues to reside in the township from which the small claims judge was elected; or

(2) was elected as a small claims judge in the township before January 1, 1999.

~~(b)~~ **(c)** Complaints against a judge **or small claims judge** must be forwarded to the commission on judicial qualifications as provided in IC 33-38-13 by any judge **or small claims judge** of the superior court.

~~(c)~~ **(d)** A judge of the court must retire upon becoming seventy-five (75) years of age. If the judge wishes to retire before the judge's term has ended or upon reaching the mandatory retirement age, the judge shall provide written notice to the presiding judge of the court. The judge shall continue to hold office until a successor has been appointed and qualified.

~~(d)~~ **(e)** When a vacancy occurs ~~in the court~~ **among the:**

(1) judges of the court by death, removal, retirement, or for any other reason, the governor shall appoint a successor judge who:

(A) serves the balance of the term of the vacating judge; ~~The successor judge must be~~ **and**

(B) is a member of the same political party as the judge who is to be succeeded; **and**

(2) small claims judges of the court by death, removal, retirement, or for any other reason, the vacancy shall be filled under IC 3-13-10.

SECTION 129. IC 33-33-49-34 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 34. (a) The clerk of the superior court shall furnish the following:

(1) All blanks, forms, and papers required for use in all criminal cases and in all civil actions involving actions by a city or town for violations of municipal penal ordinances.

(2) All books, papers, stationery, furniture, and other equipment and supplies necessary for keeping the records of the proceedings in all rooms **and divisions** of the superior court and for the transaction of all business of the court.

(3) Necessary computerization of court records.

(b) The materials required under this section shall be furnished at the expense of the county.

(c) The presiding judge of the court, by an order entered on the court records signed by the presiding judge, shall determine and prescribe the forms of the following:

(1) All summonses, notices, subpoenas, warrants, affidavits, complaints, writs, and all other papers and anything else required to be used in the cases relating to violations of criminal statutes or municipal ordinances.

(2) All other books, records, papers, and documents to be used by the court and by the officers of the court and the prosecutors.

In the absence of an order under this subsection, those charged with the duty of prosecuting cases involving either criminal offenses or the violation of municipal ordinances may adopt, change, order, and use all necessary forms and instruments as conform substantially to the practice and procedure applicable.

SECTION 130. IC 33-37-3-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 6. **(a) Except as provided in subsection (b),** court costs fees under this chapter include service of process by certified mail, unless service by the sheriff is requested by the person who institutes the action.

(b) Court costs fees under this chapter do not include service of process fees collected under IC 33-37-4-6.5.

SECTION 131. IC 33-37-4-4, AS AMENDED BY P.L.85-2004, SECTION 19, AND AS AMENDED BY P.L.95-2004, SECTION 7, IS CORRECTED AND AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 4. (a) The clerk shall collect a civil costs fee of one hundred dollars ($100) from a party filing a civil action. This subsection does not apply to the following civil actions:

(1) Proceedings to enforce a statute defining an infraction under IC 34-28-5 (or IC 34-4-32 before its repeal).

(2) Proceedings to enforce an ordinance under IC 34-28-5 (or IC 34-4-32 before its repeal).

(3) Proceedings in juvenile court under IC 31-34 or IC 31-37.

(4) Proceedings in paternity under IC 31-14.

~~(5) Proceedings in small claims court under IC 33-34.~~

~~(6)~~ **(5)** Proceedings in actions described in section 7 of this chapter.

(b) In addition to the civil costs fee collected under this section, the clerk shall collect the following fees, if they are required under IC 33-37-5:

(1) A document fee (IC 33-37-5-1, IC 33-37-5-3, or IC 33-37-5-4).

(2) A support and maintenance fee (IC 33-37-5-6).

(3) A document storage fee (IC 33-37-5-20).

(4) An automated record keeping fee (IC 33-37-5-21).

(5) A judicial administration fee ~~under~~ (IC 33-37-5-21.2).

~~(5)~~ **(6)** *A judicial insurance adjustment fee ~~under~~ (IC 33-37-5-25).*

SECTION 132. IC 33-37-4-6, AS AMENDED BY P.L.85-2004, SECTION 21, AND AS AMENDED BY P.L.95-2004, SECTION 9, IS CORRECTED AND AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 6. (a) **Except as provided in section 6.5 of this chapter,** for each small claims action, the clerk shall collect from the party filing the action both of the following fees:

(1) A small claims costs fee of thirty-five dollars ($35).

(2) A small claims service fee of five dollars ($5) for each defendant named or added in the small claims action.

However, a clerk may not collect a small claims costs fee or small claims service fee for a small claims action filed by or on behalf of the attorney general.

(b) In addition to a small claims costs fee and small claims service fee collected under this section, the clerk shall collect the following fees, if they are required under IC 33-37-5:

(1) A document fee (IC 33-37-5-1, IC 33-37-5-3, or IC 33-37-5-4).
(2) A document storage fee (IC 33-37-5-20).
(3) An automated record keeping fee (IC 33-37-5-21).
(4) A judicial administration fee ~~under~~ (IC 33-37-5-21.2).
~~*(4)*~~ **(5)** *A judicial insurance adjustment fee ~~under~~ (IC 33-37-5-25).*

(c) This section applies after June 30, 2005.

SECTION 133. IC 33-37-4-6.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: **Sec. 6.5. (a) For each small claims action filed under the jurisdiction of IC 33-33-49-9(b), the clerk shall collect from the party filing the action the following fees:**

(1) A township docket fee of five dollars ($5) plus forty-five percent (45%) of the infraction or ordinance violation costs fee under IC 33-37-4-2.
(2) The bailiff's service of process by registered or certified mail fee of thirteen dollars ($13) for each service.
(3) The cost for the personal service of process by the bailiff or other process server of thirteen dollars ($13) for each service.
(4) Witness fees, if any, in the amount provided by IC 33-37-10-3 to be taxed and charged in the circuit court.
(5) A redocketing fee, if any, of five dollars ($5).
(6) A document storage fee under IC 33-37-5-20.
(7) An automated record keeping fee under IC 33-37-5-21.
(8) A late fee, if any, under IC 33-37-5-22.
(9) A judicial administration fee under IC 33-37-5-21.2.

The docket fee and the cost for the initial service of process shall be paid at the institution of a case. The cost of service after the initial service shall be assessed and paid after service has been made. The cost of witness fees shall be paid before the witnesses are called.

(b) If the amount of the township docket fee computed under subsection (a)(1) is not equal to a whole number, the amount shall be rounded to the next highest whole number.

SECTION 134. IC 33-37-5-15 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 15. (a) The sheriff shall collect from the person who filed the civil action a service of process fee of forty dollars ($40), in addition to any other fee for service of process, if:

(1) a person files a civil action outside Indiana; and
(2) a sheriff in Indiana is requested to perform a service of process associated with the civil action in Indiana.

(b) A sheriff shall transfer fees collected under this section to the county auditor of the county in which the sheriff has jurisdiction.

(c) The county auditor shall deposit fees collected under this section:

(1) in the pension trust ~~established by the county~~ under IC 36-8-10-12 **or IC 36-8-10.1-37;** or
(2) if the county has not established a pension trust under IC 36-8-10-12, in the county general fund.

SECTION 135. IC 33-37-5-22 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 22. (a) Except as provided in subsection (e), this section applies to an action if all the following apply:

(1) The defendant is found, in a court that has a local court rule imposing a late payment fee under this section, to have:
(A) committed a crime;
(B) violated a statute defining an infraction;
(C) violated an ordinance of a municipal corporation; or
(D) committed a delinquent act.
(2) The defendant is required to pay:
(A) court costs, including fees;
(B) a fine; or
(C) a civil penalty.
(3) The defendant is not determined by the court imposing the court costs, fine, or civil penalty to be indigent.
(4) The defendant fails to pay to the clerk the costs, fine, or civil penalty in full before the later of the following:
(A) The end of the business day on which the court enters the conviction or judgment.
(B) The end of the period specified in a payment schedule set for the payment of court costs, fines, and civil penalties under rules adopted for the operation of the court.

(b) A court may adopt a local rule to impose a late payment fee under this section on defendants described in subsection (a).

(c) Subject to subsection (d), the clerk of a court that adopts a local rule imposing a late payment fee under this section shall collect a late payment fee of twenty-five dollars ($25) from a defendant described in subsection (a).

(d) Notwithstanding IC 33-37-2-2, a court may suspend a late payment fee if the court finds that the defendant has demonstrated good cause for failure to make a timely payment of court costs, a fine, or a civil penalty.

(e) A plaintiff or defendant in ~~an~~ **a small claims** action under ~~IC 33-34~~ **IC 33-33-49** shall pay a late fee of twenty-five dollars ($25) if the plaintiff or defendant:

(1) is required to pay court fees or costs under ~~IC 33-34-8-1;~~ **IC 33-37-4-6.5;**
(2) is not determined by the court imposing the court costs to be indigent; and
(3) fails to pay the costs in full before the later of the following:
(A) The end of the business day on which the court enters the judgment.
(B) The end of the period specified in a payment schedule set for the payment of court costs under rules adopted for the operation of the court.

A court may suspend a late payment fee if the court finds that the plaintiff or defendant has demonstrated good cause for failure to make timely payment of the fee.

SECTION 136. IC 33-37-7-4.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: **Sec. 4.5. The clerk of a circuit court in a county having a consolidated city shall forward to the controller of the consolidated city one hundred percent (100%) of the fees collected under the following:**

(1) IC 33-37-4-6.5(a)(1) (township docket fees).
(2) IC 33-37-4-6.5(a)(2) (bailiff's service of process fees).
(3) IC 33-37-4-6.5(a)(3) (service of process costs).
(4) IC 33-37-4-6.5(a)(4) (witness fees).
(5) IC 33-37-4-6.5(a)(5) (redocketing fees).

The clerk shall forward the fees in accordance with section 12 of this chapter.

SECTION 137. IC 33-37-7-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 11. (a) This section applies to a county in which there is ~~established~~ a pension trust under IC 36-8-10-12 **or IC 36-8-10.1-37.**

(b) For each service of a writ, an order, a process, a notice, a tax warrant, or other paper completed by the sheriff of a county described in subsection (a), the sheriff shall submit to the county fiscal body a verified claim of service.

(c) From the county share distributed under section 3 or 4 of this chapter and deposited into the county general fund, the county fiscal body shall appropriate twelve dollars ($12) for each verified claim submitted by the sheriff under subsection (b). Amounts appropriated under this subsection shall be deposited by the county auditor into the pension trust ~~established~~ under IC 36-8-10-12 **or IC 36-8-10.1-37.**

SECTION 138. IC 33-38-5-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 6. (a) The total annual salary of each full-time judge of a circuit, superior, municipal, county, or probate court is:

(1) ninety thousand dollars ($90,000), paid by the state; and
(2) any additional salary provided by the county under IC 36-2-5-14 or IC 36-3-6-3(c).

The state shall deposit quarterly the money received from the counties under subsection (c) for additional salary in the state general fund.

(b) Before November 2 of each year, the county auditor of each county shall certify to the division of state court administration the amounts, if any, to be provided by the county during the ensuing calendar year for judges' salaries under IC 36-2-5-14 or IC 36-3-6-3(c).

(c) When making each payment under subsection (a), the county shall determine for each judge whether the total of:

(1) the payment made on behalf of that judge;

(2) previous payments made on behalf of that judge in the same calendar year; and

(3) the state share of the judge's salary under subsection (a);

exceeds the Social Security wage base established by the federal government for that year. If the total does not exceed the Social Security wage base, the payment on behalf of that judge must also be accompanied by an amount equal to the employer's share of Social Security taxes and Medicare taxes. If the total exceeds the Social Security wage base, the part of the payment on behalf of the judge that is below the Social Security wage base must be accompanied by an amount equal to the employer's share of Social Security taxes and Medicare taxes, and the part of the payment on behalf of the judge that exceeds the Social Security wage base must be accompanied by an amount equal to the employer's share of Medicare taxes. Payments made under this subsection shall be deposited in the state general fund under subsection (a).

(d) For purposes of determining the amount of life insurance premiums to be paid by a judge who participates in a life insurance program that:

(1) is established by the state;

(2) applies to a judge who is covered by this section; and

(3) bases the amount of premiums to be paid by the judge on the amount of the judge's salary;

the judge's salary does not include any amounts paid to the state by a county under subsection (a).

(e) This section does not apply to a small claims judge (as defined in IC 33-33-49-5.2).

SECTION 139. IC 33-38-5-6.1 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: **Sec. 6.1. (a) This section applies to a small claims judge (as defined in IC 33-33-49-5.2).**

(b) The salary of a small claims judge who serves full time must be in an amount determined by the auditor of the county and approved by the city-county council.

(c) The salary of each small claims judge who serves part time must be in an amount determined by the auditor of the county and approved by the city-county council.

(d) The salary of a small claims judge may not be reduced during the small claims judge's term of office. At any other time, the salary of any full-time or part-time small claims judge may be increased or decreased by the auditor with the approval of the city-county council.

(e) The annual salary of a small claims judge shall be paid in twelve (12) equal monthly installments by the county.

(f) A small claims judge may not receive remuneration other than a salary set under this section for the performance of the small claims judge's official duties except payments for performing marriage ceremonies.

SECTION 140. IC 33-38-6-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 7. **(a)** As used in this chapter, "judge" means a person who serves or has served as a regular judge or justice of one (1) or more of the following courts:

(1) Supreme court.

(2) Court of appeals.

(3) Indiana tax court.

(4) Circuit court of a judicial circuit.

(5) Superior court of a county.

(6) Criminal court of a county having a separate criminal court.

(7) Probate court of a county having a separate probate court.

(8) Juvenile court of a county having a separate juvenile court.

(9) Municipal court of a county.

(10) County court of a county.

(b) The term does not include a small claims judge (as defined in IC 33-33-49-5.2).

SECTION 141. IC 33-38-12-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 3. As used in this chapter, "judge" means an individual who holds or formerly held one (1) of the following offices or appointments:

(1) Justice of the supreme court.

(2) Judge of the court of appeals.

(3) Judge of the tax court.

(4) Judge of a circuit court.

(5) Judge of a superior court.

(6) Judge of a probate court.

(7) Judge of a municipal court.

(8) Judge of a county court.

(9) Judge of a city court.

(10) Judge of a town court.

(11) **Small claims** judge. ~~of a small claims court.~~

(12) A judge pro tempore, senior judge, temporary judge, or any other individual serving as judge in an action or a proceeding in an Indiana court.

(13) Bail commissioner.

(14) Magistrate.

(15) Master commissioner.

(16) Probate commissioner.

(17) Referee.

SECTION 142. IC 33-38-14-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 4. As used in this chapter, "judge" means a:

(1) judge of a superior or probate court; **and**

(2) small claims judge (as defined in IC 33-33-49-5.2).

SECTION 143. IC 33-41-1-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 7. (a) This section applies to the small claims ~~court~~ **division** established under ~~IC 33-34.~~ **IC 33-33-49-14(c)(5).**

(b) The person who is designated by a **small claims** judge of the court to prepare transcripts may collect a fee of not more than five dollars ($5) for each transcript from a person who requests the preparation of a transcript.

SECTION 144. IC 34-30-2-58 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 58. IC 15-3-4-2 (Concerning township trustees, **a consolidated city,** or persons hired by them for the removal of detrimental plants upon another person's real property).

SECTION 145. IC 35-33.5-2-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 1. (a) A prosecuting attorney may submit an application for a warrant or an extension to a circuit or superior court where:

(1) the county that the prosecuting attorney represents is located; and

(2) the communication subject to the warrant is anticipated to be sent or received.

The prosecuting attorney may not delegate the responsibility of applying for a warrant or an extension to a deputy prosecuting attorney.

(b) One (1) of the following persons must serve as a coapplicant for a warrant or an extension under subsection (a):

(1) The superintendent of the state police department.

~~(2) The police chief of a consolidated city where the communication subject to the warrant is anticipated to be sent or received.~~

~~(3)~~ **(2)** The sheriff of the county containing a consolidated city where the communication subject to the warrant is anticipated to be sent or received.

(c) Only the state police department may install, operate, or monitor any equipment, device, or instrument for the purpose of intercepting a telephonic or telegraphic communication under this chapter.

SECTION 146. IC 35-38-1-7.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 7.5. (a) As used in this section, "sexually violent predator" has the meaning set forth in IC 5-2-12-4.5.

(b) This section applies whenever a court sentences a person for a sex offense listed in IC 5-2-12-4(a)(1) through IC 5-2-12-4(a)(10) for which the person is required to register with the sheriff ~~(or the police chief of a consolidated city)~~ under IC 5-2-12-5.

(c) At the sentencing hearing, the court shall determine whether the person is a sexually violent predator. Before making a determination under this section, the court shall consult with a board of experts consisting of two (2) board certified psychologists or psychiatrists who have expertise in criminal behavioral disorders.

(d) If the court finds that a person is a sexually violent predator:

(1) the person is required to register with the sheriff ~~(or the police chief of a consolidated city)~~ as provided in IC 5-2-12-13(b); and

(2) the court shall send notice of its finding under this subsection to the criminal justice institute.

(e) A person who is found by a court to be a sexually violent predator under subsection (c) may petition the court to consider whether the person is no longer a sexually violent predator. The person may file a petition under this subsection not earlier than ten (10) years after the sentencing court makes its finding under subsection (c). A person may file a petition under this subsection not more than one (1) time per year. If a court finds that the person is no longer a sexually violent predator, the court shall send notice to the Indiana criminal justice institute that the person is no longer considered a sexually violent predator.

SECTION 147. IC 35-38-2-2.2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 2.2. As a condition of probation for an offender (as defined in IC 5-2-12-4), the court shall:

(1) require the offender to register with the sheriff ~~(or the police chief of a consolidated city)~~ under IC 5-2-12-5; and

(2) prohibit the offender from residing within one thousand (1,000) feet of school property (as defined in IC 35-41-1-24.7) for the period of probation, unless the offender obtains written approval from the court.

If the court allows the offender to reside within one thousand (1,000) feet of school property under subdivision (2), the court shall notify each school within one thousand (1,000) feet of the offender's residence of the order.

SECTION 148. IC 35-47-4.5-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 3. As used in this chapter, "public safety officer" means:

(1) a state police officer;
(2) a county sheriff;
(3) a county police officer;
(4) a correctional officer;
(5) an excise police officer;
(6) a county police reserve officer;
(7) a city police officer;
(8) a city police reserve officer;
(9) a conservation enforcement officer;
(10) a town marshal;
(11) a deputy town marshal;
(12) a state university police officer appointed under IC 20-12-3.5;
(13) a probation officer;
(14) a firefighter (as defined in IC 9-18-34-1);
(15) an emergency medical technician; ~~or~~
(16) a paramedic; **or**
(17) a member of the metropolitan law enforcement agency.

SECTION 149. IC 36-1-2-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 7. "Fiscal officer" means:

(1) auditor, for a county **not having a consolidated city;**
(2) controller, for a:
(A) consolidated city;
(B) county having a consolidated city; or
(C) second class city;
(3) clerk-treasurer, for a third class city;
(4) clerk-treasurer, for a town; or
(5) trustee, for a township.

SECTION 150. IC 36-1-2-22 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 22. **(a)** "Township", ~~refers to~~ **except as provided in subsection (b), means:**

(1) a civil township, unless the reference is to a congressional township or school township; **or**

(2) after December 31, 2006, and except as provided in IC 36-6-1.1, IC 36-6-4.1, and IC 36-6-6.1, a township district for a county having a consolidated city, unless the reference is to a congressional township or school township or the context requires otherwise.

(b) "Township" means only a civil township for purposes of the following:

(1) IC 36-7-4.
(2) IC 36-9-27.

SECTION 155. IC 36-2-13-2.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 2.5. (a) The sheriff, the executive, and the fiscal body may enter into a salary contract for the sheriff.

(b) A sheriff's salary contract must contain the following provisions:

(1) A fixed amount of compensation for the sheriff in place of fee compensation.
(2) Payment of the full amount of the sheriff's compensation from the county general fund in the manner that salaries of other county officials are paid.
(3) Deposit by the sheriff of the sheriff's tax warrant collection fees (as described in IC 6-8.1-8-3) in the county general fund for use for any general fund purpose.
(4) A procedure for financing prisoners' meals that uses one (1) of the following methods:
(A) The county fiscal body shall make an appropriation in the usual manner from the county general fund to the sheriff for feeding prisoners. The sheriff or the sheriff's officers, deputies, or employees may not make a profit from the appropriation. The sheriff shall deposit all meal allowances received under IC 36-8-10-7, **or under IC 36-8-10.1-47 with respect to a county having a consolidated city,** in the county general fund for use for any general fund purpose.
(B) The sheriff shall pay for feeding prisoners from meal allowances received under IC 36-8-10-7 **or under IC 36-8-10.1-47 with respect to a county having a consolidated city.** The sheriff or the sheriff's officers, deputies, or employees may not make a profit from the meal allowances. After the expenses of feeding prisoners are paid, the sheriff shall deposit any unspent meal allowance money in the county general fund for use for any general fund purpose.
(5) A requirement that the sheriff shall file an accounting of expenditures for feeding prisoners with the county auditor on the first Monday of January and the first Monday of July of each year.
(6) An expiration date that is not later than the date that the term of the sheriff expires.
(7) Other provisions concerning the sheriff's compensation to which the sheriff, the county executive, and the fiscal body agree.

(c) A salary contract is entered under this section when a written document containing the provisions of the contract is:

(1) approved by resolution of both the executive and the fiscal body; and
(2) signed by the sheriff.

SECTION 156. IC 36-2-13-5.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 5.5. (a) The sheriffs shall jointly establish and maintain a sex offender web site, known as the Indiana sheriffs' sex offender registry, to inform the general public about the identity, location, and appearance of every sex offender residing within Indiana. The web site must provide information regarding each sex offender, organized by county of residence. The web site shall be updated at least every seven (7) days.

(b) The sex offender web site must include the following information:

(1) A recent photograph of every sex offender who has registered with a sheriff after the effective date of this chapter.
(2) The home address of every sex offender.
(3) The information required to be included in the sex offender directory (IC 5-2-12-6).

(c) Every time a sex offender submits a new registration form to the sheriff, but at least once per year, the sheriff shall photograph the sex offender. The sheriff shall place this photograph on the sex offender web site.

(d) The photograph of a sex offender described in subsection (c) must meet the following requirements:

(1) The photograph must be full face, front view, with a plain white or off-white background.
(2) The image of the offender's face, measured from the bottom of the chin to the top of the head, must fill at least seventy-five percent (75%) of the photograph.
(3) The photograph must be in color.

(4) The photograph must show the offender dressed in normal street attire, without a hat or headgear that obscures the hair or hairline.

(5) If the offender normally and consistently wears prescription glasses, a hearing device, wig, or a similar article, the photograph must show the offender wearing those items. A photograph may not include dark glasses or nonprescription glasses with tinted lenses unless the offender can provide a medical certificate demonstrating that tinted lenses are required for medical reasons.

(6) The photograph must have sufficient resolution to permit the offender to be easily identified by a person accessing the sex offender web site.

(e) The sex offender web site may be funded from:

(1) the jail commissary fund (IC 36-8-10-21 **or IC 36-8-10.1-48);**

(2) a grant from the criminal justice institute; and

(3) any other source, subject to the approval of the county fiscal body.

SECTION 157. IC 36-2-15-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: Sec. 5. (a) The county assessor shall perform the functions assigned by statute to the county assessor, including the following:

(1) Countywide equalization.

(2) Selection and maintenance of a countywide computer system.

(3) Certification of gross assessments to the county auditor.

(4) Discovery of omitted property.

(b) The county assessor shall perform the functions of an assessing official under IC 36-6-5-2 in a township with a township assessor-trustee if the township assessor-trustee:

(1) fails to make a report that is required by law;

(2) fails to deliver a property tax record to the appropriate officer or board;

(3) fails to deliver an assessment to the county assessor; or

(4) fails to perform any other assessing duty as required by statute or rule of the department of local government finance;

within the time period prescribed by statute or rule of the department or within a later time that is necessitated by reason of another official failing to perform the official's functions in a timely manner.

(c) A township with a township trustee-assessor may, with the consent of the township board, enter into an agreement with:

(1) the county assessor; or

(2) another township assessor in the county;

to perform any of the functions of an assessing official. A township trustee-assessor may not contract for the performance of any function for a period of time that extends beyond the completion of the township trustee-assessor's term of office.

(d) In a county having a consolidated city:

(1) the county assessor shall perform the functions of an assessing official and other duties of an assessing official prescribed by statute in each township in the county, including assessment duties prescribed by IC 6-1.1; and

(2) the controller of the consolidated city or the controller's designee shall administer the dog tax and township dog fund as prescribed by IC 15-5-9.

SECTION 158. IC 36-3-1-6.1 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: **Sec. 6.1. (a) Except as provided in section 6.3 of this chapter, after December 31, 2005, the fire departments of the following are consolidated into the fire department of a consolidated city (referred to as "the consolidated fire department" in this chapter):**

(1) A township located in a county having a consolidated city.

(2) A fire protection territory established under IC 36-8-19 that is located in a county having a consolidated city.

(3) The territory in which an airport authority established for a consolidated city under IC 8-22-3 may provide fire protection services.

(b) Except as provided by section 6.3 of this chapter, after December 31, 2005, the consolidated fire department shall provide fire protection services for the entire county.

(c) All the property, equipment, records, rights, and contracts of the departments and territories listed in subsection (a) are:

(1) transferred to; or

(2) assumed by;

the consolidated city.

(d) The employees of the departments and territories listed in subsection (a) cease employment with those departments and territories and become employees of the consolidated fire department after December 31, 2005. These employees are not hired or rehired for purposes of IC 36-8-3.2 or IC 36-8-10.5 upon becoming employees of the consolidated fire department. The consolidated city shall assume all agreements with labor organizations that:

(1) are in effect after December 31, 2005; and

(2) apply to employees of the departments and territories listed in subsection (a) who become employees of the consolidated fire department.

(e) Except as provided in subsection (g), the consolidated city shall assume, defease, pay, or refund all indebtedness related to fire protection services incurred before January 1, 2006, by:

(1) a township;

(2) an airport authority;

(3) a fire protection territory; or

(4) a building, holding, or leasing corporation on behalf of a township, an airport authority, or a fire protection territory;

whose fire department is consolidated into the consolidated fire department under subsection (a).

(f) Notwithstanding any other law, to assume, defease, pay, or refund all or a part of the indebtedness described in subsection (e) the consolidated city is not required to comply with any other statutory procedures or approvals that apply when a unit incurs indebtedness.

(g) Notwithstanding subsections (e) and (f), the consolidated city may not assume all or a part of the indebtedness described in subsection (e) that will exceed the limitations on the amount of indebtedness that the consolidated city may incur.

(h) The rights of the trustee and the bondholders with respect to any:

(1) indebtedness or bonds; or

(2) bond resolution, trust agreement or indenture, security agreement, purchase agreement, or other undertaking described in subsection (e);

remain the same, although the powers, duties, and liabilities of the departments listed in subsection (a) have been transferred to the consolidated city, and the consolidated city shall be considered to have assumed all those powers, duties, agreements, and liabilities.

(i) To provide for the payment of the expenses for the operation of the consolidated fire department, the consolidated city may levy property taxes on taxable property located within the area served by the consolidated fire department.

(j) The fire special service district established under IC 36-3-1-6 may levy property taxes to provide for the payment of expenses for the operation of the consolidated fire department:

(1) within; or

(2) that directly benefit;

the territory of the fire special service district. These amounts are in addition to the amounts levied by the fire special service district to fund pension obligations under IC 36-8-7-14.

(k) The local boards for the 1937 firefighters' pension fund and the 1977 police officers' and firefighters' pension and disability fund for a fire department in a township located in a county having a consolidated city are dissolved, and their services are terminated not later than the effective date of the consolidation. The duties performed by the township's local boards under IC 36-8-7 and IC 36-8-8, respectively, are assumed by the public safety pension commission established under IC 36-8-7.6.

(l) After December 31, 2005, the merit board and the merit system of each fire department listed in subdivision (a) is dissolved, and the duties of the merit boards are transferred to and assumed by the merit board for the consolidated fire department.

SECTION 159. IC 36-3-1-6.2 IS ADDED TO INDIANA CODE

AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: **Sec. 6.2. After December 31, 2005, the consolidated city, through the consolidated fire department, shall establish, operate, and maintain emergency ambulance services (as defined in IC 16-18-2-107) in the county.**

SECTION 160. IC 36-3-1-6.3 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: **Sec. 6.3. (a) The consolidated fire department may not provide fire protection services for:**

(1) an excluded city; or

(2) a fire protection territory for which an excluded city is a provider unit (as defined in IC 36-8-19-3);

unless the fire protection services are provided pursuant to an interlocal agreement under IC 36-1-7 or the conditions in subsection (b) are met.

(b) For the consolidated fire department to provide fire protection services to an excluded city other than under an interlocal agreement under IC 36-1-7, all the following must occur:

(1) The legislative body of the excluded city and the city-county legislative body must adopt substantially similar ordinances authorizing the consolidation of the fire department of the excluded city into the consolidated fire department.

(2) The ordinances described in subdivision (1) must:

(A) specify the effective date of the consolidation; and

(B) set forth the conditions of the consolidation.

(c) After the effective date of the consolidation described in subsection (b), the consolidated fire department shall provide fire protection services within the territory of the excluded city.

(d) After the effective date of the consolidation described in subsection (b), all the property, equipment, records, rights, and contracts of the fire department of the excluded city are transferred to and assumed by the consolidated city.

(e) After the effective date of the consolidation described in subsection (b), the employees of the fire department of the excluded city cease employment with the excluded city and become employees of the consolidated fire department. These employees are not hired or rehired for purposes of IC 36-8-3.2 or IC 36-8-10.5 upon becoming employees of the consolidated fire department. The consolidated city shall assume all agreements with labor organizations that:

(1) are in effect after the effective date of the consolidation described in subsection (b); and

(2) apply to employees of the fire department of the excluded city who become employees of the consolidated fire department.

(f) Except as provided in subsection (h), the consolidated city shall assume, defease, pay, or refund all indebtedness related to fire protection services incurred before the effective date of the consolidation described in subsection (b) by:

(1) an excluded city; or

(2) a building, holding, or leasing corporation on behalf of an excluded city;

whose fire department is consolidated into the consolidated fire department under subsection (b).

(g) Notwithstanding any other law, to assume, defease, pay, or refund all or a part of the indebtedness described in subsection (f) the consolidated city is not required to comply with any other statutory procedures or approvals that apply when a unit incurs indebtedness.

(h) Notwithstanding subsections (f) and (g), the consolidated city may not assume all or a part of the indebtedness described in subsection (f) that will exceed the limitations on the amount of indebtedness that the consolidated city may incur.

(i) The rights of the trustee and the bondholders with respect to any:

(1) indebtedness or bonds; or

(2) bond resolution, trust agreement or indenture, security agreement, purchase agreement, or other undertaking described in subsection (f);

remain the same, although the powers, duties, and liabilities of the departments listed in subsection (a) have been transferred to the consolidated city, and the consolidated city shall be considered to have assumed all those powers, duties, agreements, and liabilities.

(j) Whenever an excluded city consolidates its fire department into the consolidated fire department under subsection (b), the local boards for the 1937 firefighters' pension fund and the 1977 police officers' and firefighters' pension and disability fund of the excluded city are dissolved, and their services are terminated not later than the effective date of the consolidation. The duties performed by the local boards under IC 36-8-7 and IC 36-8-8, respectively, are assumed by the public safety pension commission established under IC 36-8-7.6.

(k) Whenever an excluded city consolidates its fire department into the consolidated fire department under subsection (b), the merit board and merit system of the excluded city's fire department are dissolved, and the duties of the excluded city's merit board are transferred to and assumed by the merit board for the consolidated fire department.

(l) Whenever an excluded city consolidates its fire department into the consolidated fire department under subsection (b), for property taxes first due and payable in the calendar year following the effective date of the consolidation, the maximum permissible ad valorem property tax levy under IC 6-1.1-18.5:

(1) is increased for a consolidated city by the amount levied in the prior calendar year for fire protection and related services by the excluded city; and

(2) is reduced for the excluded city by the amount levied in the prior calendar year for fire protection and related services by the excluded city.

(m) Whenever an excluded city consolidates its fire department into the consolidated fire department under subsection (b), for property taxes first due and payable in the calendar year following the effective date of the consolidation, the amount levied under IC 6-1.1-41 and IC 36-8-14 in the prior calendar year by the excluded city for its cumulative building and equipment fund for firefighting and related services is transferred to the consolidated city's cumulative building and equipment fund for firefighting and related services, and the consolidated city is exempted from the requirements of IC 6-1.1-41 and IC 36-8-14 regarding an increase to the levy for its cumulative building and equipment fund for firefighting and related services.

SECTION 161. IC 36-3-2-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 3. (a) A special service district of the consolidated city:

(1) may sue and be sued;

(2) may exercise powers of the consolidated city to the extent that those powers are delegated to it by law, but may not issue bonds; and

(3) shall provide services to property owners only in the district, unless a law provides otherwise.

(b) A special service district or special taxing district shall be administered under the jurisdiction of a department of the consolidated city **or the county.** The territory of a special service district or special taxing district may be expanded, in the manner prescribed by law, to include territory inside the county that is not originally included in the district.

(c) The city-county legislative body may, by ordinance, expand the territory of a ~~special service~~ **solid waste collection** district ~~subject to the following conditions:~~ **as follows:**

~~(1) In the case of the fire district, the ordinance may not be considered unless a petition to include additional territory in the district is first submitted to the metropolitan development commission for study and recommendation. The petition must be signed by a majority of the landowners, or by owners of land amounting to seventy-five percent (75%) in assessed valuation, in the proposed additional territory. After receiving the petition, the metropolitan development commission shall make findings of fact and recommendations and serve copies of these on the fire chief, the executive of each township affected, and the petitioners at least thirty (30) days before a public hearing before the legislative body. After the public hearing, the legislative body may pass the ordinance only if it determines:~~

~~(A) that reasonable and adequate fire protection service can be~~

~~provided within the additional territory by the consolidated city; and~~

~~(B) that expansion of the district is in the public interest.~~

~~(2) In the case of the police district, the legislative body must hold a public hearing and then may pass the ordinance only if it determines:~~

~~(A) that reasonable and adequate police protection can be provided within the additional territory by the consolidated city; and~~

~~(B) that expansion of the district is in the public interest.~~

~~(3) In the case of the solid waste collection district,~~

(1) The ordinance may not be considered unless a petition to include additional territory in the district is first submitted to the works board for study and recommendation.

(2) The petition must be signed by at least ten (10) interested residents in the proposed additional territory.

(3) After receiving the petition, the works board shall:

(A) set a date for a public hearing;

(B) publish notice of the hearing in accordance with IC 5-3-1; and

(C) upon hearing the matter, determine whether the territory should be added to the district.

(4) If the works board recommends that the territory should be added to the district, the legislative body must hold a public hearing and then may pass the ordinance.

(5) Territory in the solid waste collection district may also be removed from the district in the manner prescribed by this ~~subdivision.~~ **section.**

SECTION 162. IC 36-3-2-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: Sec. 10. (a) The general assembly finds the following:

(1) That the tax base of the consolidated city and the county have been significantly eroded through the ownership of tangible property by separate municipal corporations and other public entities that operate as private enterprises yet are exempt or whose property is exempt from property taxation.

(2) That to restore this tax base and provide a proper allocation of the cost of providing governmental services the legislative body of the consolidated city and county should be authorized to collect payments in lieu of taxes from these public entities.

(3) That the appropriate maximum payments in lieu of taxes would be the amount of the property taxes that would be paid if the tangible property were not subject to an exemption.

(b) As used in this section, the following terms have the meanings set forth in IC 6-1.1-1:

(1) Assessed value.

(2) Exemption.

(3) Owner.

(4) Person.

(5) Personal property.

(6) Property taxation.

(7) Tangible property.

~~(8) Township assessor.~~

(c) As used in this section, "PILOTS" means payments in lieu of taxes.

(d) As used in this section, "public entity" means any of the following government entities in the county:

(1) An airport authority operating under IC 8-22-3.

(2) A capital improvement board of managers under IC 36-10-9.

(3) A building authority operating under IC 36-9-13.

(4) A wastewater treatment facility.

(e) The legislative body of the consolidated city may adopt an ordinance to require a public entity to pay PILOTS at times set forth in the ordinance with respect to:

(1) tangible property of which the public entity is the owner or the lessee and that is subject to an exemption;

(2) tangible property of which the owner is a person other than a public entity and that is subject to an exemption under IC 8-22-3; or

(3) both.

The ordinance remains in full force and effect until repealed or modified by the legislative body.

(f) The PILOTS must be calculated so that the PILOTS may be in any amount that does not exceed the amount of property taxes that would have been levied by the legislative body for the consolidated city and county upon the tangible property described in subsection (e) if the property were not subject to an exemption from property taxation.

(g) PILOTS ~~shall be~~ **are** imposed as are property taxes and ~~shall be~~ **are** based on the assessed value of the tangible property described in subsection (e). The ~~township assessors~~ **county assessor** shall assess the tangible property described in subsection (e) as though the property were not subject to an exemption. The public entity shall report the value of personal property in a manner consistent with IC 6-1.1-3.

(h) Notwithstanding any law to the contrary, a public entity is authorized to pay PILOTS imposed under this section from any legally available source of revenues. The public entity may consider these payments to be operating expenses for all purposes.

(i) PILOTS ~~shall be~~ **are** deposited in the consolidated county fund and used for any purpose for which the consolidated county fund may be used.

(j) PILOTS ~~shall be~~ **are** due as set forth in the ordinance and bear interest, if unpaid, as in the case of other taxes on property. PILOTS ~~shall be~~ **are** treated in the same manner as taxes for purposes of all procedural and substantive provisions of law.

(k) PILOTS imposed on a wastewater treatment facility may be paid only from the cash earnings of the facility remaining after provisions have been made to pay for current obligations, including:

(1) operating and maintenance expenses;

(2) payment of principal and interest on any bonded indebtedness;

(3) depreciation or replacement fund expenses;

(4) bond and interest sinking fund expenses; and

(5) any other priority fund requirements required by law or by any bond ordinance, resolution, indenture, contract, or similar instrument binding on the facility.

SECTION 163. IC 36-3-2-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: Sec. 11. (a) As used in this section, the following terms have the meanings set forth in IC 6-1.1-1:

(1) Assessed value.

(2) Exemption.

(3) Owner.

(4) Person.

(5) Property taxation.

(6) Real property.

~~(7) Township assessor~~.

(b) As used in this section, "PILOTS" means payments in lieu of taxes.

(c) As used in this section, "property owner" means the owner of real property described in IC 6-1.1-10-16.7 that is located in a county with a consolidated city.

(d) Subject to the approval of a property owner, the legislative body of the consolidated city may adopt an ordinance to require the property owner to pay PILOTS at times set forth in the ordinance with respect to real property that is subject to an exemption under IC 6-1.1-10-16.7. The ordinance remains in full force and effect until repealed or modified by the legislative body, subject to the approval of the property owner.

(e) The PILOTS must be calculated so that the PILOTS are in an amount that is:

(1) agreed upon by the property owner and the legislative body of the consolidated city;

(2) a percentage of the property taxes that would have been levied by the legislative body for the consolidated city and the county upon the real property described in subsection (d) if the property were not subject to an exemption from property taxation; and

(3) not more than the amount of property taxes that would have been levied by the legislative body for the consolidated city and county upon the real property described in subsection (d) if the property were not subject to an exemption from property taxation.

(f) PILOTS ~~shall be~~ **are** imposed as are property taxes and ~~shall be~~ **are** based on the assessed value of the real property described in

subsection (d). The ~~township assessors~~ **county assessor** shall assess the real property described in subsection (d) as though the property were not subject to an exemption.

(g) PILOTS collected under this section ~~shall be~~ **are** deposited in the housing trust fund established under IC 36-7-15.1-35.5 and used for any purpose for which the housing trust fund may be used.

(h) PILOTS ~~shall be~~ **are** due as set forth in the ordinance and bear interest, if unpaid, as in the case of other taxes on property. PILOTS ~~shall be~~ **are** treated in the same manner as taxes for purposes of all procedural and substantive provisions of law.

SECTION 164. IC 36-3-3-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 10. (a) The board of commissioners of the county is composed of the county treasurer, the county auditor, and the county assessor. These officers shall serve ex officio as commissioners without additional compensation for performing the duties of the board.

(b) The board of commissioners:

(1) shall make the appointments required by statute to be made by the board of commissioners of a county;

~~(2) shall perform the duties and exercise the powers prescribed by statutes pertaining to the issuance and payment of bonds of the county and the expenditure of the unexpended proceeds of those bonds;~~ and

~~(3)~~ **(2)** may exercise the powers granted it by Article 9, Section 3 of the Constitution of the State of Indiana and by IC 12-30-3.

SECTION 165. IC 36-3-4-14 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 14. (a) An ordinance or resolution passed by a legislative body is considered adopted when it is:

(1) signed by the presiding officer; and

(2) if subject to veto, either approved by the executive or passed over ~~his~~ **the executive's** veto by the legislative body, under section 16 of this chapter.

(b) All ordinances and resolutions of a legislative body are subject to veto, except the following:

~~(1) An ordinance or resolution, or part of either, providing for the budget or appropriating money for an office or officer of the county provided for by the Constitution of Indiana or for a judicial office or officer.~~

~~(2)~~ **(1)** An ordinance or resolution approving or modifying the budget of a political subdivision that the legislative body is permitted by statute to review.

~~(3)~~ **(2)** A resolution making an appointment that the legislative body is authorized to make.

~~(4)~~ **(3)** A resolution selecting officers or employees of the legislative body.

~~(5)~~ **(4)** A resolution prescribing rules for the internal management of the legislative body.

~~(6)~~ **(5)** A zoning ordinance or amendment to a zoning ordinance, or a resolution approving a comprehensive plan, that is adopted under IC 36-7.

(c) An ordinance prescribing a penalty or forfeiture for a violation must, before it takes effect, be published in the manner prescribed by IC 5-3-1, unless:

(1) it is published under subsection (d); or

(2) there is an urgent necessity requiring its immediate effectiveness, the executive proclaims the urgent necessity, and copies of the ordinance are posted in three (3) public places in the county.

(d) If a legislative body publishes any of its ordinances in book or pamphlet form, no other publication is required. If an ordinance prescribing a penalty or forfeiture for a violation is published under this subsection, it takes effect two (2) weeks after the publication of the book or pamphlet. Publication under this subsection, if authorized by the legislative body, constitutes presumptive evidence:

(1) of the ordinances in the book or pamphlet;

(2) of the date of adoption of the ordinances; and

(3) that the ordinances have been properly signed, attested, recorded, and approved.

(e) Unless a legislative body provides in an ordinance or resolution for a later effective date, the ordinance or resolution takes effect when it is adopted, subject to subsections (c) and (d).

(f) Subsections (a), (c), (d), and (e) do not apply to zoning ordinances or amendments to zoning ordinances, or resolutions approving comprehensive plans, that are adopted under IC 36-7.

SECTION 184. IC 36-3-6-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 4. (a) Before the Wednesday after the first Monday in July each year, the consolidated city and county shall prepare budget estimates for the ensuing budget year under this section.

(b) The following officers shall prepare for their respective departments, offices, agencies, or courts an estimate of the amount of money required for the ensuing budget year, stating in detail each category and item of expenditure they anticipate:

(1) The director of each department of the consolidated city.

(2) Each ~~township assessor,~~ elected county officer or head of a county agency.

(3) The county clerk, for each court ~~of which he is~~ **the** clerk **serves.**

(c) In addition to the estimates required by subsection (b), the county clerk shall prepare an estimate of the amount of money that is, under law, taxable against the county for the expenses of cases tried in other counties on changes of venue.

(d) Each officer listed in subsection (b)(2) or (b)(3) shall append a certificate to each estimate ~~he~~ **the officer** prepares stating that in ~~his~~ **the officer's** opinion the amount fixed in each item will be required for the purpose indicated. The certificate must be verified by the oath of the officer.

(e) An estimate for a court or division of a court is subject to modification and approval by the judge of the court or division.

(f) All of the estimates prepared by city officers shall be submitted to the ~~city fiscal officer~~ **controller,** and all of the estimates prepared by county officers shall be submitted to the county fiscal officer.

(g) The ~~city fiscal officer~~ **controller** shall also prepare an itemized estimate of city expenditures for other purposes above the money proposed to be used by the city departments.

SECTION 185. IC 36-3-6-4.1 IS ADDED TO INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: **Sec. 4.1. Notwithstanding IC 36-8-7, the city-county legislative body shall adopt an ordinance under section 7 of this chapter to levy a tax only within the fire special service district in the amount and at the rate necessary to produce sufficient revenue to pay the amounts required to satisfy the consolidated city's 1937 firefighters' pension fund obligations under IC 36-8-7-14.**

SECTION 191. IC 36-3-7-6 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: **Sec. 6. (a) Notwithstanding any other law, the consolidated city may issue obligations to refund obligations issued before January 1, 2006, in the name of:**

(1) a township;

(2) an airport authority;

(3) a fire protection territory; or

(4) a building, holding, or leasing corporation on behalf of a township, an airport authority, or a fire protection territory;

to satisfy the requirements of IC 36-3-1-6.1(e), IC 36-3-1-6.1(f), and IC 36-3-1-6.1(g).

(b) Notwithstanding any other law, the consolidated city may issue obligations to refund obligations issued before the effective date of a consolidation described in IC 36-3-1-6.3(b) by:

(1) an excluded city; or

(2) a building, holding, or leasing corporation on behalf of an excluded city;

to satisfy the requirements of IC 36-3-1-6.3(f), IC 36-3-1-6.3(g), and IC 36-3-1-6.3(h).

SECTION 192. IC 36-6-1.1 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:

Chapter 1.1. Marion County Township Transitional Provisions

Sec. 1. This chapter applies only to townships in a county having a consolidated city.

Sec. 2. (a) Before January 1, 2006:

(1) township trustees continue to be governed by IC 36-6-4; and

(2) township boards continue to be governed by IC 36-6-6.

(b) Except as provided in subsection (c), after December 31, 2005:

(1) township trustees are governed by IC 36-6-4.1; and

(2) township boards are governed by IC 36-6-6.1.

(c) Before January 1, 2007, township trustees and township boards continue to represent their respective townships rather than a township district.

(d) Beginning with the general election held in 2006:

(1) new township trustees for the township districts shall be elected under IC 36-6-4.1; and

(2) new township boards for the township districts shall be elected under IC 36-6-6.1.

(e) On January 1, 2007:

(1) the township boards existing at the time the new township boards are elected under IC 36-6-6.1 are dissolved; and

(2) the township boards elected under IC 36-6-6.1 replace the township boards that are dissolved under subdivision (1).

Sec. 3. (a) A transitional advisory board shall be formed not later than August 1, 2005, to prepare a report and recommendations to the township trustees and township boards regarding the reorganization of townships, including the following:

(1) The transfer of residual township functions to appropriate departments or officers of the consolidated city or county.

(2) The provision of township assistance under IC 12-20 and IC 12-30-4.

(3) The transfer of township assessment functions from the township assessors to the county assessor.

(4) The location of township divisions of the small claims division of the superior court of the county.

(b) The transitional advisory board consists of the following twenty-one (21) members:

(1) The nine (9) township trustees in the county holding office on the date the transitional advisory board is formed.

(2) Four (4) individuals appointed by the city executive. One (1) individual appointed under this subdivision must be an assessing professional.

(3) Four (4) individuals appointed by the city-county legislative body.

(4) Four (4) individuals appointed by the board of commissioners of the county.

(c) Members of the transitional advisory board appointed under subsection (b)(2), (b)(3), and (b)(4) are not entitled to receive any salary for their service. Members of the board designated under subsection (b)(1) are not entitled to any additional salary for their service on the board but are entitled to their regular salaries as township trustees under IC 36-6-8 until the end of their current terms. The board may use the staff and budget of the existing trustees to carry out the board's work. Two (2) co-chairpersons, each of a different political party, shall be elected by the members of the board.

(d) The transitional advisory board expires not later than February 28, 2006.

Sec. 4. All assets, property rights, equipment, records, personnel, and contracts and all else connected with the provision of township assistance under IC 12-20 and IC 12-30-4 by a township shall be transferred to the applicable township district on January 1, 2007. All other assets, property rights, equipment, records, personnel (except as otherwise provided by statute), and contracts and all else connected with the township shall be transferred to the consolidated city on January 1, 2006. Any indebtedness not connected with the provision of township assistance that was incurred by a township before the effective date of consolidation under this section shall be assumed or defeased by the consolidated city, notwithstanding any other provision of law requiring completion of certain procedures and approvals for the incurrence of indebtedness, provided that the indebtedness (or any part of the indebtedness) may not be assumed by the consolidated city if the assumption would cause the consolidated city to exceed any limitation on the amount of indebtedness that may be incurred by the consolidated city.

Sec. 5. Beginning January 1, 2006, notwithstanding any other law to the contrary, for a township located in a county having a consolidated city, the township's distributive share of any state or local taxes or revenues (other than property taxes) shall be reduced to zero and shall be transferred to the consolidated city.".

Page 9, between lines 4 and 5, begin a new paragraph and insert:

"SECTION 195. IC 36-6-4-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. **(a) Except as provided in subsection (b),** this chapter applies to ~~all townships.~~ **a township.**

(b) This chapter does not apply to a township in a county having a consolidated city after December 31, 2005.

SECTION 196. IC 36-6-4.1 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:

Chapter 4.1. Township Executives in Marion County

Sec. 1. Subject to IC 36-6-1.1, this chapter applies only to a county having a consolidated city.

Sec. 2. As used in this chapter,"central township district" means the geographic area that is coterminous with the territory of the board of school commissioners under IC 20-3-11-1.

Sec. 3. As used in this chapter, "consolidated township district" means the territory of a county having a consolidated city, excluding the central township district.

Sec. 4. As used in this chapter "executive" refers to the township trustee of a township district elected under section 7 of this chapter.

Sec. 5. As used in this chapter, "township district" means the:

(1) central township district; and

(2) consolidated township district.

Sec. 6. As used in this chapter, "township district legislative body" refers to a township board created under IC 36-6-6.1.

Sec. 7. (a) Beginning with the general election to be held in 2006, a township trustee shall be elected under IC 3-10-2-13 by the voters of each township district. The township trustee elected for each township district is the executive for each township in the township district.

(b) The executive must reside within the township district as provided in Article 6, Section 6 of the Constitution of the State of Indiana. The executive forfeits office if the executive ceases to be a resident of the township district.

(c) The term of office of the executive is four (4) years, beginning January 1 after the executive's election and continuing until a successor is elected and qualified.

Sec. 8. The executive shall do the following:

(1) Keep a written record of official proceedings.

(2) Manage all property interests in the township district.

(3) Keep records of the township district open for public inspection.

(4) Attend all meetings of the township district legislative body.

(5) Receive and pay out funds of the township district.

(6) Examine and settle all accounts and demands chargeable against the township district.

(7) Provide the assistance required under IC 12-20 and IC 12-30-4.

(8) File an annual personnel report under IC 5-11-13.

Sec. 9. The executive may do the following:

(1) Administer oaths when necessary in the discharge of official duties.

(2) Appoint an attorney to represent the township district in any proceeding in which the township district is interested.

(3) Enter into certain oil and gas leases of township district property under IC 36-9.

(4) Personally use a township district vehicle for the performance of official duties, but only if the use is authorized by the township district legislative body.

(5) Exercise other powers granted by statute.

Sec. 10. The executive shall maintain:

(1) a general account showing the total of all township district receipts and expenditures; and

(2) the financial and appropriation record of the township district, which must include an itemized and accurate

account of the township district's financial affairs.

Sec. 11. (a) For each sum of money received by the executive, the financial and appropriation record must show:

(1) the date the sum of money was received;

(2) from whom the sum of money was received; and

(3) to what account the sum of money was credited.

(b) For each sum of money paid by the executive, the financial and appropriation record must show:

(1) the date the sum of money was paid;

(2) to whom the sum of money was paid;

(3) from what account the sum of money was paid; and

(4) why the sum of money was paid.

(c) The state board of accounts shall prescribe the form of the financial and appropriation record.

Sec. 12. (a) Each purchase for a township district by the executive must be made on written order of the executive, certifying that sufficient funds have been appropriated to pay the full price of the purchase. The executive shall issue a warrant and pay for the purchase not later than time of receipt of the county treasurer's first semiannual distribution following the purchase.

(b) An executive who violates this section commits a Class C infraction and is liable on the executive's official bond for the value of the purchase.

Sec. 13. (a) The executive may use the township district's share of state, county, and township district tax revenues and federal revenue sharing funds for all categories of community service, if these funds are appropriated for these services by the township district legislative body. The executive may use these funds for both operating and capital expenditures.

(b) With the consent of the township district legislative body, the executive may contract with corporations for health and community services not specifically provided by another governmental entity.

Sec. 14. On the first Monday of each August the executive shall post, in a conspicuous place near the executive's office, a verified statement showing the indebtedness of the township district in detail and giving the number and total amount of outstanding orders, warrants, and accounts.

Sec. 15. (a) At the township district legislative body's annual meeting under IC 36-6-6.1-12, the executive shall:

(1) present an itemized written statement of the estimated expenditures for which appropriations are requested, specifying the:

(A) number of teachers employed;

(B) salary of each teacher employed;

(C) property of the township district (and supplies on hand);

(D) estimated value of the property of the township district (and supplies on hand);

(E) supplies necessary for each school; and

(F) need for township assistance in the township district; and

(2) submit to questions from the township district legislative body or taxpayers concerning expenditures of the township district.

(b) The written statement required under subsection (a)(1) must comply with forms prescribed by the state board of accounts and show the amount of each item to be charged against funds of the township district.

Sec. 16. (a) At the annual meeting of the township district legislative body under IC 36-6-6.1-10, the executive shall present a complete report of all receipts and expenditures of the preceding calendar year, including the balance to the credit of each fund controlled by the executive. If the executive controls any money that is not included in a particular fund, the executive shall state all the facts concerning that money in the report.

(b) Each item of expenditure in the report presented under subsection (a) must be accompanied by the verified voucher of the person to whom the sum was paid, stating:

(1) why the payment was made;

(2) that the receipt is for the exact sum received;

(3) that no part of the sum has been retained by the executive; and

(4) that no part of the sum has been or is to be returned to the executive or any other person.

The executive may administer oaths to persons giving these receipts.

(c) The executive shall swear or affirm that:

(1) the report presented under subsection (a) shows all sums received by the executive;

(2) the expenditures credited have been fully paid in the sums stated, without express or implied agreement that any part of the sums is to be retained by or returned to the executive or any other person; and

(3) the executive has received no money or other property in consideration of any contract entered into or expenditure made on behalf of the township district.

(d) Within ten (10) days after the township district legislative body's action under IC 36-6-6.1-10, the executive shall file a copy of the report presented under subsection (a) and the report's accompanying vouchers, as adopted by the township district legislative body, in the office of the city controller of the consolidated city. The township district legislative body may, for the benefit of the township, bring a civil action against the executive if the executive fails to file the report within ten (10) days after the township district legislative body's action. The township district legislative body may recover five dollars ($5) for each day after the time limit for filing the report, until the report is filed.

Sec. 17. (a) When the executive prepares the annual report required by section 16 of this chapter, the executive shall also prepare, on forms prescribed by the state board of accounts, an abstract of receipts and expenditures:

(1) showing the sum of money in each fund of the township district at the beginning of the year;

(2) showing the sum of money received in each fund of the township district during the year;

(3) showing the sum of money paid from each fund of the township district during the year;

(4) showing the sum of money remaining in each fund of the township district at the end of the year;

(5) containing a statement of receipts, showing their source; and

(6) containing a statement of expenditures showing the combined gross payment, according to classification of expense, to each person.

(b) Not later than four (4) weeks after the annual meeting of the township district legislative body under IC 36-6-6.1-10, the executive shall publish the abstract required by subsection (a) in accordance with IC 5-3-1. The abstract must state that a complete and detailed annual report and the accompanying vouchers showing the names of persons paid money by the township district have been filed with the city controller of the consolidated city, and that the chairperson of the township district legislative body has a copy of the report that is available for inspection by any taxpayer of the township district.

(c) An executive who fails to comply with this section commits a Class C infraction.

Sec. 18. When an executive's term of office expires, the executive shall:

(1) immediately deliver to the new executive custody of all funds and property of the township district, except records necessary in the preparation of the former executive's annual report under section 16 of this chapter;

(2) deliver to the new executive, not later than the second Monday in the next January, the former executive's annual report and any records the former executive has retained; and

(3) attend the annual meeting of the township district legislative body held under IC 36-6-6.1-10 and submit to inquiries from the township district legislative body concerning the operation of the executive's office during the preceding calendar year.

Sec. 19. (a) If an executive resigns or dies, the executive's personal representative shall immediately deliver to the new executive custody of all funds and property of the township district. The new executive shall then issue a call for a special meeting of the township district legislative body, to be held not

more than fifteen (15) days later. At the special meeting the township district legislative body shall:

(1) examine the records of the township district;

(2) inquire into the conduct of the executive's office; and

(3) approve in whole or in part the records, receipts, and expenditures of the township district to the date of the death or resignation of the former executive.

(b) In the new executive's annual report to the township district legislative body required under section 16 of this chapter, the new executive shall distinguish between the new executive's transactions and those of the former executive. The township district legislative body may, at its annual meeting under IC 36-6-6.1-10, review items in the report that were considered at the special meeting.

Sec. 20. An executive is entitled to receive the following:

(1) The executive's salary.

(2) Reimbursement for expenses that are reasonably incurred by the executive for the following:

(A) The operation of the executive's office.

(B) Travel and meals while attending seminars or conferences on township district matters.

(C) A sum for mileage as permitted under IC 36-6-8-3(b).

The executive may not make any other personal use of funds of the township district without prior approval by the township district legislative body.

Sec. 21. (a) Not later than thirty (30) days after taking office, the executive shall designate a person who shall perform the executive's duties whenever the executive is incapable of performing the executive's functions because the executive:

(1) is absent from the township district; or

(2) becomes incapacitated.

The executive shall give notice of the designation to the chairperson of the township district legislative body, the county sheriff, the city controller, and any other persons that the executive chooses. The designee shall have all the powers of the executive. The executive is responsible for all acts of the designee. The executive may change the designee under this section at any time.

(b) The designee shall perform the executive's duties until the executive is no longer absent from the township district or incapacitated.

Sec. 22. The executive may pay township district funds for the purpose of supporting a drug awareness program that is implemented in schools.".

Page 9, line 6, delete "A" and insert "**Except as provided in section 3 of this chapter,** a".

Page 9, delete lines 34 through 42, begin a new paragraph and insert:

"SECTION 198. IC 36-6-5-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: Sec. 2. (a) This section applies to ~~townships~~ **a township, other than a township located in a county having a consolidated city,** that ~~do~~ **does** not have an elected or appointed and qualified township assessor.

(b) The township executive shall perform all the duties and has all the rights and powers of assessor. If a township qualifies under IC 36-6-5-1 to elect a township assessor, the executive shall continue to serve as assessor until an assessor is appointed or elected and qualified.

(c) The bond filed by the executive in ~~his~~ **the executive's** capacity as executive also covers ~~his~~ **the executive's** duties as assessor.

SECTION 199. IC 36-6-5-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: Sec. 3. **(a) Except as provided in subsection (b),** the assessor shall perform the duties prescribed by statute, including:

(1) assessment duties prescribed by IC 6-1.1; and

(2) administration of the dog tax and dog fund, as prescribed by IC 15-5-9.

(b) In a township located in a county having a consolidated city:

(1) there is no township assessor;

(2) the duties of the township assessor prescribed by IC 6-1.1 are performed by the county assessor under IC 36-2-15-5; and

(3) the duties of the township assessor prescribed by IC 15-5-9 are performed by the controller of the consolidated city or the controller's designee.

SECTION 200. IC 36-6-6-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. **(a) Except as provided in subsection (b),** this chapter applies to ~~all townships.~~ **a township.**

(b) This chapter does not apply to a township in a county having a consolidated city after December 31, 2005.".

Page 10, delete lines 1 through 3.

Page 10, between lines 20 and 21, begin a new paragraph and insert:

"SECTION 202. IC 36-6-6-2.2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2.2. ~~(a) This subsection applies to townships in a county containing a consolidated city. The voters of each legislative body district established under section 2.5 of this chapter shall elect one (1) member of the township board.~~

~~(b) This subsection applies to townships not included in subsection (a).~~ The voters of each township shall elect all the members of the township board.".

Page 11, after line 12, begin a new paragraph and insert:

"SECTION 205. IC 36-6-6-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: Sec. 10. (a) This section does not apply to the appropriation of money to pay a deputy, an employee, or a technical adviser that assists a township assessor with assessment duties or to an elected township assessor.

(b) The township legislative body shall fix the:

(1) salaries;

(2) wages;

(3) rates of hourly pay; and

(4) remuneration other than statutory allowances;

of all officers and employees of the township.

(c) Subject to subsection (d), the township legislative body may reduce the salary of an elected or appointed official. However, the official is entitled to a salary that is not less than the salary fixed for the first year of the term of office that immediately preceded the current term of office.

(d) Except as provided in subsection (e), the township legislative body may not alter the salaries of elected or appointed officers during the fiscal year for which they are fixed, but it may add or eliminate any other position and change the salary of any other employee, if the necessary funds and appropriations are available.

(e) In a township that:

(1) is not located in a county having a consolidated city; and

(2) does not elect a township assessor under IC 36-6-5-1;

the township legislative body may appropriate available township funds to supplement the salaries of elected or appointed officers to compensate them for performing assessing duties. However, in any calendar year no officer or employee may receive a salary and additional salary supplements which exceed the salary fixed for that officer or employee under subsection (b).

(f) If a change in the mileage allowance paid to state officers and employees is established by July 1 of any year, that change shall be included in the compensation fixed for the township executive and assessor under this section, to take effect January 1 of the next year. However, the township legislative body may by ordinance provide for the change in the sum per mile to take effect before January 1 of the next year.

(g) The township legislative body may not reduce the salary of the township executive without the consent of the township executive during the term of office of the township executive as set forth in IC 36-6-4-2.

(h) This subsection applies when a township executive dies or resigns from office. The person filling the vacancy of the township executive shall receive at least the same salary the previous township executive received for the remainder of the unexpired term of office of the township executive (as set forth in IC 36-6-4-2), unless the person consents to a reduction in salary.

SECTION 206. IC 36-6-6.1 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:

Chapter 6.1. Township Legislative Bodies in Marion County

Sec. 1. Subject to IC 36-6-1.1, this chapter applies only in a county having a consolidated city.

Sec. 2. The definitions in IC 36-6-4.1 apply to this chapter.

Sec. 3. (a) The township board shall serve as the township district legislative body.

(b) The township board for the:

(1) central township district consists of seven (7) at-large members; and

(2) consolidated township district consists of nine (9) at-large members.

(c) Beginning with the general election to be held in 2006, all members of the township boards shall be elected under IC 3-10-2-13 by the voters of each township district.

(d) The term of office of a township board member is four (4) years, beginning January 1 after election and continuing until a successor is elected and qualified.

Sec. 4. A member of the legislative body must reside within the township district. If a member of the legislative body ceases to be a resident of the township district from which the member was elected, the office becomes vacant.

Sec. 5. (a) Four (4) members of the legislative body for the central township district constitute a quorum.

(b) Five (5) members of the legislative body for the consolidated township district constitute a quorum.

Sec. 6. The legislative body may adjourn a meeting from day to day until the business of the legislative body is completed.

Sec. 7. A taxpayer of the township district may appear at any meeting of the legislative body and be heard as to:

(1) an estimate of expenditures;

(2) a proposed levy of taxes;

(3) the approval of the executive's annual report; or

(4) any other matter being considered by the legislative body.

Sec. 8. (a) The legislative body shall meet at the office of the executive on the first Tuesday after the first Monday in January of each year. At this meeting the legislative body shall elect one (1) member as chairperson and one (1) member as secretary for that year.

(b) If a newly elected legislative body holds a special meeting before the first Tuesday after the first Monday in the January following its election, the legislative body shall elect a chairperson and a secretary before conducting any other business. The chairperson and secretary elected at the special meeting retain those positions until the first Tuesday after the first Monday in January of the year following the special meeting.

Sec. 9. The legislative body shall keep a permanent record of its proceedings in a book furnished by the executive. The secretary of the legislative body shall, under the direction of the legislative body, record the minutes of the proceedings of each meeting in full and shall provide copies of the minutes to each member of the legislative body before the next meeting is convened. After the minutes are approved by the legislative body, the secretary of the legislative body shall place the minutes in the permanent record book. The chairperson of the legislative body shall retain the record in the chairperson's custody.

Sec. 10. (a) The legislative body shall meet on or before the third Tuesday after the first Monday in January of each year. At this meeting the legislative body shall consider and approve, in whole or in part, the annual report of the executive presented under IC 36-6-4.1-15.

(b) The legislative body may send for persons, books, and papers necessary in the examination of the annual report. A member may administer oaths necessary in the examination of the annual report.

(c) Any sum in the control of the executive that remains unexpended and is subject to no liability shall be credited in favor of the fund for which it was appropriated.

(d) Any fund expended, in whole or in part, for a purpose for which it was not appropriated shall be considered unexpended and in the control of the executive, who is liable on his bond for such an expenditure.

(e) When the legislative body completes its examination of the annual report, the legislative body shall take action on the annual report, specifying the parts of the annual report that are altered or disallowed. The annual report remains under the control of the legislative body and in custody of the chairperson of the legislative body, who shall keep it open to inspection by taxpayers of the township district.

Sec. 11. (a) The legislative body shall fix the:

(1) salaries;

(2) wages;

(3) rates of hourly pay; and

(4) remuneration other than statutory allowances;

of all officers and employees of the township district.

(b) Subject to subsection (c), the legislative body may reduce the salary of an elected or appointed official. However, the official is entitled to a salary that is not less than the salary fixed for the first year of the term of office that immediately preceded the current term of office.

(c) The legislative body may not alter the salaries of elected or appointed officers during the fiscal year for which they are fixed, but the legislative body may add or eliminate any other position and change the salary of any other employee, if the necessary funds and appropriations are available.

(d) If a change in the mileage allowance paid to state officers and employees is established by July 1 of any year, that change shall be included in the compensation fixed for the executive under this section and take effect January 1 of the next year. However, the legislative body may by ordinance provide for the change in the sum per mile to take effect before January 1 of the next year.

(e) The legislative body may not reduce the salary of the executive without the consent of the executive during the term of office of the executive as set forth in IC 36-6-4.1-7.

(f) This subsection applies when an executive dies or resigns from office. The person filling the vacancy of the executive shall receive at least the same salary the previous executive received for the remainder of the unexpired term of office of the executive (as set forth in IC 36-6-4.1-7), unless the person consents to a reduction in salary.

Sec. 12. (a) The legislative body shall meet annually in accordance with IC 6-1.1-17 to adopt the annual budget of the district.

(b) The legislative body shall consider the estimates of expenditures made by the executive under IC 36-6-4.1-15, and may approve or reject all or part of any estimate or any item within an estimate. The legislative body may require the executive to further itemize an estimate not sufficiently itemized.

(c) The legislative body may not appropriate for any purpose an amount more than the executive's estimate of the amount required for that purpose.

(d) The legislative body shall include in the budget:

(1) provisions for the payment of existing debt of the township district as it becomes due; and

(2) the salaries fixed under section 11 of this chapter.

(e) In making levies for the general fund of the township district, the legislative body may include an amount not more than the amount necessary to compensate its members for their services during the year for which the levies are made.

(f) After the legislative body has taken action on the executive's estimates, it shall levy taxes for the township district funds on property in the township district and fix rates of taxation sufficient to provide that revenue during the next year.

(g) On the assessment date, as defined by IC 6-1.1-1-2, the rates of taxation adopted under this section become a levy and a lien on all taxable property in the township district, including property in municipalities in the township district. The levy constitutes an appropriation for the specific items in the executive's estimates.

Sec. 13. (a) The legislative body may appropriate money for membership of the township district in county, state, or national associations that:

(1) are of a civic, an educational, or a governmental nature; and

(2) have as a purpose the improvement of township or township district governmental operations.

The township district representatives may participate in the activities of these associations, and the legislative body may

appropriate money to defray the expenses of township district representatives in connection with these activities.

(b) Each representative of the township district attending any meeting, conference, seminar, or convention approved by the executive shall be allowed reimbursement for all necessary and legitimate expenses incurred while representing the township district. Expenses shall be paid to each representative in accordance with the reimbursement policy of the township district, which may include an established per diem rate, as recommended by the executive and adopted by the legislative body.

Sec. 14. (a) A special meeting may be held by the legislative body if the executive, the chairperson of the legislative body, or a majority of the members of the legislative body issue a written notice of the meeting to each member of the legislative body. The notice must state the time, place, and purpose of the meeting.

(b) At the special meeting, if a majority of the members give their consent, the legislative body may determine whether there is an emergency requiring the expenditure of money not included in the budget estimates and levy of the township district. Subject to section 15 of this chapter, if the legislative body finds that such an emergency exists, it may issue a special order, entered and signed on the record, authorizing the executive to borrow a specified amount of money sufficient to meet the emergency. At the legislative body's next annual session, the legislative body shall cover the debt created by making a levy to the credit of the fund for which the amount was borrowed under this subsection.

Sec. 15. (a) If the legislative body issues a special order under section 14 of this chapter authorizing the executive to borrow money, not less than ten (10) taxpayers in the township district who disagree with the special order may file a petition in the office of the city controller of the consolidated city not more than thirty (30) days after notice of the special order is given. The petition must state the taxpayers' objections and the reasons why the taxpayers believe the special order is unnecessary or unwise.

(b) The city controller of the consolidated city shall immediately certify a copy of the petition, together with other data necessary to present the questions involved, to the department of local government finance. Upon receipt of the certified petition and other data, the department of local government finance shall fix a date, time, and place for the hearing of the matter. The hearing must be held not less than five (5) and not more than thirty (30) days after the receipt of the certified documents.

(c) The hearing must be held in the township district where the petition arose.

(d) Notice of the hearing shall be given by the department of local government finance to the township district and to the first ten (10) taxpayer petitioners listed on the petition by letter. The letter shall be sent to the first ten (10) taxpayer petitioners at each taxpayer's usual place of residence at least five (5) days before the date of the hearing.

(e) A:

(1) taxpayer who signed a petition filed under subsection (a); or

(2) township district against which a petition under subsection (a) is filed;

may petition for judicial review of the final determination of the department of local government finance under subsection (a). The petition must be filed in the tax court not more than forty-five (45) days after the date of the department's final determination.

Sec. 16. (a) If the legislative body finds that an emergency requires the borrowing of money to meet the current expenses of the township district, the legislative body may take out temporary loans in an amount not more than fifty percent (50%) of the total anticipated revenue for the remainder of the year in which the loans are taken out.

(b) The legislative body must authorize the temporary loans by a resolution:

(1) stating the nature of the consideration for the loans;

(2) stating the time the loans are payable;

(3) stating the place the loans are payable;

(4) stating a rate of interest;

(5) stating the anticipated revenues on which the loans are based and out of which they are payable; and

(6) appropriating a sufficient amount of the anticipated revenues on which the loans are based and out of which they are payable for the payment of the loans.

(c) The loans must be evidenced by time warrants of the township district stating:

(1) the nature of the consideration;

(2) the time payable;

(3) the place payable; and

(4) the anticipated revenues on which they are based and out of which they are payable.

SECTION 207. IC 36-6-8-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: Sec. 1. **(a) Except as provided in subsection (b),** this chapter applies to all townships.

(b) Sections 5, 6, 9, 10, and 11 of this chapter do not apply to a township located in a county having a consolidated city.

SECTION 208. IC 36-6-8-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 10. (a) The county fiscal body shall, in the manner prescribed by IC 36-2-5 or IC 36-2-6, fix and appropriate money to pay the per diem established under section 5 of this chapter and the salaries and per diems of the county's township assessors and any deputies or other employees that assist the elected township assessor.

(b) Each township assessor shall file the budget estimate required by IC 36-2-5-5. ~~or IC 36-3-6-4.~~ The budget estimate filed under this subsection must include all estimated expenses of the office, including costs incurred through litigation for the office.

(c) If the township executive is performing the duties of assessor, the county fiscal body shall appropriate money for the purposes of subsection (a) and other expenses of acting as assessor, including all costs incurred through litigation for the office. However, it may not provide a salary that is below the amount fixed for that salary for the year 1984.

SECTION 209. IC 36-7-11.2-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: Sec. 11. As used in this chapter, "notice" means written notice:

(1) served personally upon the person, official, or office entitled to the notice; or

(2) served upon the person, official, or office by placing the notice in the United States mail, first class postage prepaid, properly addressed to the person, official, or office. Notice is considered served if mailed in the manner prescribed by this subdivision properly addressed to the following:

(A) The governor, both to the address of the governor's official residence and to the governor's executive office in Indianapolis.

(B) The Indiana department of transportation, to the commissioner.

(C) The department of natural resources, both to the director of the department and to the director of the department's division of historic preservation and archeology.

(D) The department of metropolitan development.

(E) An occupant, to:

(i) the person by name; or

(ii) if the name is unknown, to the "Occupant" at the address of the Meridian Street or bordering property occupied by the person.

(F) An owner, to the person by the name shown to be the name of the owner, and at the person's address, as the address appears in the records in the bound volumes of the most recent real estate tax assessment records as the records appear in the offices of the ~~township assessors~~ **county assessor** in Marion County.

(G) A neighborhood association or the society, to the organization at the latest address as shown in the records of the commission.

SECTION 210. IC 36-7-11.2-58 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: Sec. 58. (a) A person who has filed a petition under section 56 or 57 of this chapter shall, not later than ten (10) days after the filing, serve notice upon all interested parties. The notice must state the following:

(1) The full name and address of the following:

(A) The petitioner.
(B) Each attorney acting for and on behalf of the petitioner.
(2) The street address of the Meridian Street and bordering property for which the petition was filed.
(3) The name of the owner of the property.
(4) The full name and address of, and the type of business, if any, conducted by:
(A) each person who at the time of the filing is a party to; and
(B) each person who is a disclosed or an undisclosed principal for whom the party was acting as agent in entering into;
a contract of sale, lease, option to purchase or lease, agreement to build or develop, or other written agreement of any kind or nature concerning the subject property or the present or future ownership, use, occupancy, possession, or development of the subject property.
(5) A description of the contract of sale, lease, option to purchase or lease, agreement to build or develop, or other written agreement sufficient to disclose the full nature of the interest of the party or of the party's principal in the subject property or in the present or future ownership, use, occupancy, possession, or development of the subject property.
(6) A description of the proposed use for which the rezoning or zoning variance is sought, sufficiently detailed to appraise the notice recipient of the true character, nature, extent, and physical properties of the proposed use.
(7) The date of the filing of the petition.
(8) The date, time, and place of the next regular meeting of the commission if a petition is for approval of a zoning variance. If a petition is filed with the development commission, the notice does not have to specify the date of a hearing before the commission or the development commission. However, the person filing the petition shall give ten (10) days notice of the date, time, and place of a hearing before the commission on the petition after the referral of the petition to the commission by the development commission.

(b) For purposes of giving notice to the interested parties who are owners, the records in the bound volumes of the recent real estate tax assessment records as the records appear in the offices of the ~~township assessors~~ **county assessor** as of the date of filing are considered determinative of the persons who are owners.

SECTION 211. IC 36-7-15.1-32 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: Sec. 32. (a) The commission must establish a program for housing. The program, which may include such elements as the commission considers appropriate, must be adopted as part of a redevelopment plan or amendment to a redevelopment plan, and must establish an allocation area for purposes of sections 26 and 35 of this chapter for the accomplishment of the program.

(b) The notice and hearing provisions of sections 10 and 10.5 of this chapter apply to the resolution adopted under subsection (a). Judicial review of the resolution may be made under section 11 of this chapter.

(c) Before formal submission of any housing program to the commission, the department shall consult with persons interested in or affected by the proposed program and provide the affected neighborhood associations, residents, and ~~township assessors~~ **the county assessor** with an adequate opportunity to participate in an advisory role in planning, implementing, and evaluating the proposed program. The department may hold public meetings in the affected neighborhood to obtain the views of neighborhood associations and residents.

SECTION 212. IC 36-8-1-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1. 2006]: Sec. 7. **(a) Except as provided in subsection (b),** "local board" means the board of trustees of a 1925, 1937, or 1953 fund.

(b) After December 31, 2005, in a consolidated city, "local board" means the public safety pension commission established by IC 36-8-7.6-2.

SECTION 213. IC 36-8-3-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 6. (a) This section applies to:

(1) all municipalities, **except a consolidated city; and**
(2) a county having a consolidated city that establishes a metropolitan law enforcement agency under IC 36-8-10.1.

(b) As used in this section, "member of the metropolitan law enforcement agency" refers to a member of the metropolitan law enforcement agency established by IC 36-8-10.1.

~~(b)~~ **(c)** A warrant of search or arrest, issued by any judge, may be executed in the municipality by:

(1) any municipal police officer; **or**
(2) a member of the metropolitan law enforcement agency; subject to the laws governing arrest and bail.

~~(c)~~ **(d)** The police officers of a municipality **or a member of the metropolitan law enforcement agency** shall:

(1) serve all process within the municipality **or the consolidated city** issuing from the city or town court;
(2) arrest, without process, all persons who within view violate statutes, take them before the court having jurisdiction of the offense, and retain them in custody until the cause of the arrest has been investigated;
(3) enforce municipal ordinances in accordance with IC 36-1-6;
(4) suppress all breaches of the peace within their knowledge and may call to their aid the power of the municipality **or the consolidated city** and pursue and commit to jail persons guilty of crimes;
(5) serve all process issued by:
(A) the legislative body of the municipality **or the consolidated city;** ~~or~~
(B) any committee of ~~it,~~ **the legislative body of the municipality or the consolidated city;** or ~~by~~
(C) any of the executive departments of the municipality **or the consolidated city;**
(6) serve the city or town court and assist the bailiff in preserving order in the court; and
(7) convey prisoners to and from the county jail or station houses of the municipality **or the consolidated city** for arraignment or trial in the city or town court or to the place of imprisonment under sentence of the court.

SECTION 214. IC 36-8-3-20 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 20. (a) This section applies to **the following:**

(1) Counties, **including a county having a consolidated city.** ~~and~~
(2) Towns. ~~as well as~~
(3) Cities.

(b) A unit may provide by ordinance for any number of police reserve officers.

(c) Police reserve officers shall be appointed by the same authority that appoints regular members of the department.

(d) Police reserve officers may be designated by another name specified by ordinance.

(e) Police reserve officers may not be members of the regular police department but have all of the same police powers as regular members, except as limited by the rules of the department. Each department may adopt rules to limit the authority of police reserve officers.

(f) To the extent that money is appropriated for a purpose listed in this subsection, police reserve officers may receive any of the following:

(1) A uniform allowance.
(2) Compensation for time lost from other employment because of court appearances.
(3) Insurance for life, accident, and sickness coverage.
(4) In the case of county police reserve officers, compensation for lake patrol duties that the county sheriff assigns and approves for compensation.

(g) Police reserve officers are not eligible to participate in any pension program provided for regular members of the department.

(h) A police reserve officer may not be appointed until he has completed the training and probationary period specified by rules of the department.

(i) A police reserve officer appointed by the department after June 30, 1993, may not:

(1) make an arrest;

(2) conduct a search or a seizure of a person or property; or

(3) carry a firearm;

unless the police reserve officer successfully completes a pre-basic course under IC 5-2-1-9(f).

(j) A police reserve officer may be covered by the medical treatment and burial expense provisions of the worker's compensation law (IC 22-3-2 through IC 22-3-6) and the worker's occupational diseases law (IC 22-3-7). If compensability of the injury is an issue, the administrative procedures of IC 22-3-2 through IC 22-3-6 and IC 22-3-7 shall be used to determine the issue.

(k) A police reserve officer carrying out lake patrol duties under this chapter is immune from liability under IC 34-30-12, notwithstanding the payment of compensation to the officer.

SECTION 215. IC 36-8-3-21 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 21. (a) Except as provided in subsection (b), this section applies to all units, **including a county having a consolidated city that establishes a metropolitan law enforcement agency under IC 36-8-10.1.**

(b) This subsection does not apply to the appointment of a fire chief under a waiver under IC 36-8-4-6(c) or the appointment of a police chief under a waiver under IC 36-8-4-6.5(c). An individual may not be employed by a unit after May 31, 1985, as a member of the unit's fire department or as a member of the unit's police department unless the individual meets the conditions for membership in the 1977 fund.

(c) Notwithstanding IC 36-8-1-9, the executive of the unit may request that the 1977 fund accept the following individuals in the 1977 fund under IC 36-8-8-7(h):

(1) A fire chief appointed under a waiver under IC 36-8-4-6(c).

(2) A police chief appointed under a waiver under IC 36-8-4-6.5(c).

(d) This subsection applies to a county having a consolidated city that establishes a metropolitan law enforcement agency under IC 36-8-10.1. The executive of the consolidated city may request that the 1977 fund accept in the 1977 fund under IC 36-8-8-7(m) the sheriff of the county whose initial term of office begins after December 31, 2005.

SECTION 216. IC 36-8-3.5-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 1. (a) **Except as provided in subsection (b),** this chapter applies to each municipality or township that has a full-time paid police or fire department.

(b) This chapter does not apply to a metropolitan law enforcement agency established under IC 36-8-10.1.

(c) A municipality may exercise the power of establishing a merit system for its police or fire department under this chapter or by ordinance adopted under IC 36-1-4-14. A township may exercise the power of establishing a merit system for its fire department under this chapter or by resolution under IC 36-1-4-14. This chapter does not affect merit systems established:

(1) by ordinance under IC 36-1-4-14, except as provided by subsection ~~(c);~~ **(g);**

(2) by resolution under IC 36-1-4-14, except as provided by subsection ~~(f);~~ **(h);** or

(3) by a prior statute, except as provided by subsection ~~(b).~~ **(d).**

~~(b)~~ **(d)** If a city had a merit system for its police or fire department under the former IC 18-4-12, IC 19-1-7, IC 19-1-14, IC 19-1-14.2, IC 19-1-14.3, IC 19-1-14.5, IC 19-1-20, IC 19-1-21, IC 19-1-29, IC 19-1-29.5, IC 19-1-31, IC 19-1-31.5, or IC 19-1-37.5, it may retain that system by ordinance of the city legislative body passed before January 1, 1983. The ordinance must initially incorporate all the provisions of the prior statute but may be amended by the legislative body after December 31, 1984. The ordinance retaining the system must be amended, if necessary, to include a provision under which the commission (or governing board of the merit system) has at least one-third (1/3) of its members elected by the active members of the department as prescribed by section 8 of this chapter. Each elected commission member must:

(1) be a person of good moral character; and

(2) except for a member of a fire department having a merit system established under IC 19-1-37.5, not be an active member of a police or fire department or agency.

~~(c)~~ **(e)** After December 31, 1984, the legislative body also may repeal the ordinance described in subsection ~~(b),~~ **(d),** but the legislative body shall in the repealing ordinance concurrently establish a new merit system under section 3 of this chapter. (This subsection does not require the legislative body to establish a new merit system when it exercises its power to amend the ordinance under subsection ~~(b).~~ **(d).)** After the new merit system takes effect, all members of the department are entitled to the same ranks and pay grades the members held under the prior system, subject to changes made in accordance with this chapter.

~~(d)~~ **(f)** If a city had a merit system for its police or fire department under a prior statute but fails to retain that system under subsection ~~(b),~~ **(d),** the city legislative body shall, before July 1, 1983, pass an ordinance to establish a new merit system under section 3 of this chapter. If the new merit system is approved as provided by section 4 of this chapter, it takes effect as provided by that section. However, if the new merit system is rejected under section 4 of this chapter, within thirty (30) days the city legislative body shall adopt an ordinance to retain the prior merit system. The prior merit system remains in effect until the new merit system takes effect, after which time all members of the department are entitled to the same ranks and pay grades the members held under the prior system, subject to changes made in accordance with this chapter.

~~(e)~~ **(g)** An ordinance adopted under IC 36-1-4-14 to establish a police or fire merit system must include a provision under which the commission, or governing board of the merit system, has at least one-third (1/3) of its members elected by the active members of the department as prescribed by section 8 of this chapter. Each elected commission member must be a person of good moral character who is not an active member of a police or fire department or agency. If an ordinance was adopted under IC 36-1-4-14 before July 1, 1988, the ordinance must be amended to include this requirement.

~~(f)~~ **(h)** This chapter does not prevent a township or other unit that has adopted a merit system under section 3 of this chapter from later amending or deleting any provisions of the merit system contained in this chapter. However, the merit system must include a provision under which the commission has at least one-third (1/3) of its members elected by the active members of the department, as set forth in section 8 of this chapter and a provision that incorporates the requirements of section 6(a) of this chapter. This subsection does not require the legislative body to establish a new merit system when it exercises its power to amend under this subsection.

SECTION 217. IC 36-8-4-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 1. **(a) Except as provided in subsection (b),** this chapter applies to all cities.

(b) This chapter does not apply to a metropolitan law enforcement agency established under IC 36-8-10.1, except that section 6.5(a) and 6.5(b) of this chapter apply to the chief of a metropolitan law enforcement agency.

SECTION 218. IC 36-8-5-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 1. **(a)** This chapter applies to **the following:**

(1) All municipalities.

(2) A county having a consolidated city that establishes a metropolitan law enforcement agency under IC 36-8-10.1. ~~In addition,~~

(b) Section 2 of this chapter applies to any other political subdivision that employs full-time, fully paid firefighters.

SECTION 219. IC 36-8-6-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 1. (a) This chapter applies to pension benefits for members of police departments hired before May 1, 1977, in second and third class cities, and in towns that have established a board of metropolitan police commissioners.

(b) A police officer with twenty (20) years of service is covered by this chapter and not by IC 36-8-8 if ~~he:~~ **the police officer:**

(1) was hired before May 1, 1977;

(2) did not convert under IC 19-1-17.8-7 (repealed September 1, 1981); and

(3) is rehired after April 30, 1977, by the same employer.

(c) A police officer is covered by this chapter and not by IC 36-8-8 if ~~he:~~ **the police officer:**

(1) was hired before May 1, 1977;

(2) did not convert under IC 19-1-17.8-7 (repealed September

1, 1981);

(3) was rehired after April 30, 1977, but before February 1, 1979; and

(4) was made, before February 1, 1979, a member of a 1925 fund.

(d) A police matron is covered by this chapter and not by IC 5-10.3 or IC 36-8-8 if ~~she:~~ **the police matron:**

(1) was hired before May 1, 1977;

(2) is a member of a police department in a second or third class city; and

(3) is employed as a police matron on March 31, 1996.

(e) A police officer who:

(1) is covered by this chapter before January 1, 2006; and

(2) after December 31, 2005, becomes a member of the metropolitan law enforcement agency established under IC 36-8-10.1;

is covered by this chapter after December 31, 2005, and the police officer's service as a member of the metropolitan law enforcement agency is considered active service under this chapter.

SECTION 220. IC 36-8-7-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 1. (a) This chapter applies to pension benefits for members of fire departments hired before May 1, 1977, in units for which a 1937 fund was established before May 1, 1977.

(b) A firefighter with twenty (20) years of service is covered by this chapter and not by IC 36-8-8 if ~~he:~~ **the firefighter:**

(1) was hired before May 1, 1977;

(2) did not convert under IC 19-1-36.5-7 (repealed September 1, 1981); and

(3) is rehired after April 30, 1977, by the same employer.

(c) A firefighter is covered by this chapter and not by IC 36-8-8 if ~~he:~~ **the firefighter:**

(1) was hired before May 1, 1977;

(2) did not convert under IC 19-1-36.5-7 (repealed September 1, 1981);

(3) was rehired after April 30, 1977, but before February 1, 1979; and

(4) was made, before February 1, 1979, a member of a 1937 fund.

(d) A firefighter who:

(1) is covered by this chapter before January 1, 2006; and

(2) after December 31, 2005, becomes a member of a fire department of a consolidated city under IC 36-3-1-6.1;

is covered by this chapter after December 31, 2005, and the firefighter's service as a member of a fire department of a consolidated city is considered active service under this chapter.

SECTION 221. IC 36-8-7-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 3. (a) A firefighters' pension fund to be known as the 1937 fund is established in each unit described by section 1(a) of this chapter.

(b) **Except as provided in subsection (c),** the 1937 fund **for each unit** shall be managed by a board of trustees (referred to as the "local board" in this chapter) **under this chapter. A local board is** composed of seven (7) trustees **as follows:** ~~Two (2) trustees are~~

(1) The executive of the unit, **an ex officio voting trustee.** ~~and~~

(2) The fire chief, ~~who are~~ **an** ex officio voting ~~trustees~~ **trustee.** ~~The other trustees are~~

(3) One (1) retired member of the fire department. ~~and~~

(4) Four (4) active members of the fire department.

The retired member and the active members of the fire department are elected for the terms and in the manner provided in this chapter.

(c) The local board for a unit having a fire department consolidated under IC 36-3-1-6.1 is the public safety pension commission established by IC 36-8-7.6.

~~(c)~~ **(d)** The local board has control of the 1937 fund of the unit. The local board shall manage, use, and disburse the fund for the purpose and in the manner prescribed by this chapter. The local board may adopt and enforce bylaws that do not conflict with this chapter and are considered necessary to enable it to achieve the purposes for which it was organized. Each trustee shall, before entering upon the duties of his office, take an oath to faithfully perform his duties.

SECTION 222. IC 36-8-7-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 4. (a) If a unit has less than five (5) members in its fire department, the unit may provide for the organization of a local board consisting of the fire chief, the executive of the unit, and one (1) member of the fire department.

(b) The trustee from the fire department shall be elected under this section.

(c) The local board may amend the bylaws of the fund to elect the trustee from the fire department in an election held on any three (3) consecutive days in February specified in the bylaws. The election shall be called by the fire chief and held at the house or quarters of the fire department. Subject to this section, the election shall be conducted in the manner specified in the bylaws.

(d) This subsection applies only if the local board does not elect to be governed by subsection (c). The trustee from the fire department shall be elected at a meeting held on the second Monday in February each year. The meeting shall be called by the fire chief and held at the house or quarters of the fire department.

(e) The term of the elected trustee is one (1) year beginning immediately after ~~his~~ **the trustee's** election.

(f) Each member of the department is entitled to one (1) ballot and the person receiving the highest number of votes is elected. The executive of the unit, the fire chief, and the city or county clerk shall canvass and count the ballots, and the clerk shall issue a certificate of election to the person having received the highest number of votes. If two (2) persons have received the same number of votes, the executive and the chief shall immediately determine by lot who will be the trustee from the persons receiving an equal number of votes.

(g) This section does not apply to a consolidated city.

SECTION 223. IC 36-8-7-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 5. (a) An election shall be held each year under this section to elect one (1) trustee from the active members of the fire department for a term of four (4) years, commencing on the day of his election. The fire chief shall fix a time for holding a convention to nominate candidates for trustees to be elected at each election. Each convention must be held at least five (5) days before the day on which the annual election is held. A convention consists of one (1) delegate from each fire company and one (1) delegate to be selected by the chief and ~~his~~ **the chief's** assistants. The delegate from each fire company shall be elected by ballot by the members of the company at a time to be fixed by the chief in the call for a convention. The election of delegates shall be certified by the captain or other officer of the company, or, if there is not an officer present, then by the oldest member of the company present. The convention, when assembled, shall nominate six (6) members of the fire department to be voted upon as trustees, and the delegates shall report the names of the persons nominated as candidates to their respective companies in writing.

(b) The local board may amend the bylaws of the fund to elect the trustee from the active members of the fire department in an election held on any three (3) consecutive days in February specified in the bylaws. The election shall be called by the fire chief and held at the house or quarters of the respective companies of the fire department. Subject to this section, the election shall be conducted in the manner specified in the bylaws.

(c) This subsection applies only if the local board does not elect to be governed by subsection (b). The election shall be held at the houses or quarters of the respective companies on the second Monday in February between 9 a.m. and 6 p.m.

(d) Each member of a fire company is entitled to one (1) ballot, and the ballot may not contain the names of more than one (1) person, chosen from the six (6) persons nominated by the convention. The candidate receiving the highest number of votes is elected.

(e) The captain or other officer in command of each of the fire companies, immediately after the casting of all ballots, shall canvass and count the ballots. ~~He~~ **The captain or other officer** shall certify in writing the total number of ballots cast and the number of votes received by each candidate for the office of trustee. After signing the certificate, the officer shall enclose it, together with all the ballots cast by the fire company, in an envelope, securely sealed and addressed, and deliver them to the fire chief. The fire chief shall deliver them to the executive of the unit as soon as **the chief receives** all **the**

certificates and ballots. ~~have been received by him.~~ Upon receipt the executive shall, in the presence of the chief and the clerk of the unit, open the envelopes, examine the certificates, and determine the total number of votes cast for each of the candidates. The executive shall then issue a certificate of election to the candidate having received the highest number of votes. If two (2) or more candidates have received the same number of votes, the executive and the chief shall immediately determine by lot who will be trustee from the persons receiving an equal number of votes. An election may not be set aside for lack of formality in balloting by the members or in certifying or transmitting the returns of an election by the officers in charge.

(f) This section does not apply to a consolidated city.

SECTION 224. IC 36-8-7-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 6. (a) An election shall be held under this section every two (2) years to elect one (1) trustee from the retired members of the fire department for a term of two (2) years, commencing on the day of ~~his~~ **the trustee's** election, if the retired list contains **at least** three (3) ~~or more~~ retired members at the time of election. The fire chief shall fix a time for holding a convention to nominate candidates for trustee to be elected at each election. Each convention must be held at least fifteen (15) days before the day on which the biennial election is held. All retired members of the fire department may participate in the convention. The convention, when assembled, shall nominate not more than four (4) members of the retired list to be voted upon as trustee. The secretary of the board shall mail the names of the persons nominated along with an official ballot to the retired members within forty-eight (48) hours of the end of the convention.

(b) The election shall be conducted by mail. Each retired member is entitled to cast one (1) ballot by mail and the ballot may not contain more than one (1) name, chosen from the list of retired persons nominated by the convention. The candidate receiving the highest number of votes by 6 p.m. on the second Monday in February or an alternative date in February specified in the bylaws of the fund is elected.

(c) The ballots must remain closed and inviolate until the close of the election, at which time, in the presence of the executive of the unit, the fire chief, and the clerk of the unit, the ballots shall be opened and counted. A certificate of election shall be issued to the candidate receiving the highest number of votes. If two (2) or more candidates receive the same number of votes, the executive and the chief shall immediately determine by lot who will be trustee from the persons receiving an equal number of votes.

(d) This section does not apply to a consolidated city.

SECTION 225. IC 36-8-7-6.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 6.5. (a) All ballots voted under this chapter shall be secured until the balloting is closed.

(b) Tampering with a ballot for an election under this chapter is a Class A infraction.

(c) This section does not apply to a consolidated city.

SECTION 226. IC 36-8-7-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 7. (a) The fire chief is the president of the local board.

(b) At the first meeting after each election, the local board shall elect a secretary, who may be chosen from among the trustees. However, the local board may consider it proper to have a secretary who is a member of the fire department, to be elected by the companies for a term of four (4) years in the same manner as the election for trustees. The secretary shall keep a full record of all the proceedings of the local board in a book provided for that purpose.

(c) The local board shall make all rules necessary for the discharge of its duties and shall hear and determine all applications for relief or pensions under this chapter.

(d) This section does not apply to a consolidated city.

SECTION 227. IC 36-8-7-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 10. (a) The local board shall determine how much of the 1937 fund may be safely invested and how much should be retained for the needs of the fund. Investments are restricted to the following:

(1) Interest bearing direct obligations of the United States or of the state or bonds lawfully issued by an Indiana political subdivision. The securities shall be deposited with and must remain in the custody of the treasurer of the local board, who shall collect the interest on them as it becomes due and payable.

(2) Savings deposits or certificates of deposit of a chartered national, state, or mutual bank whose deposits are insured by a federal agency. However, deposits may not be made in excess of the amount of insurance protection afforded a member or investor of the bank.

(3) Shares of a federal savings association organized under 12 U.S.C. 1461, as amended, and having its principal office in Indiana, or of a savings association organized and operating under Indiana statutes whose accounts are insured by a federal agency. However, shares may not be purchased in excess of the amount of insurance protection afforded a member or investor of the association.

(4) An investment made under IC 5-13-9.

(b) All securities must be kept on deposit with the unit's fiscal officer, who shall collect all interest due and credit it to the 1937 fund.

(c) The fiscal officer shall keep a separate account of the 1937 fund and shall fully and accurately set forth a statement of all money received and paid out by him. The officer shall, on the first Monday of January and June of each year, make a report to the local board of all money received and distributed by him. The president of the local board shall execute the officer's bond in the sum that the local board considers adequate, conditioned that the fiscal officer will faithfully discharge the duties of the fiscal officer's office and faithfully account for and pay over to the persons authorized to receive it all money that comes into the fiscal officer's hands by virtue of the fiscal officer's office. The bond and sureties must be approved by the local board and filed with the executive of the unit. The local board shall make a full and accurate report of the condition of the 1937 fund to the unit's fiscal officer on the first Monday of February in each year.

(d) All securities that were owned by and held in the name of the local board on January 1, 1938, shall be held and kept for the local board by the unit's fiscal officer until they mature and are retired. However, if an issue of the securities is refunded, the local board shall accept refunding securities in exchange for and in an amount equal to the securities refunded. All money received by the local board for the surrender of matured and retired securities shall be paid into and constitutes a part of the 1937 fund of the unit, as provided in section 8 of this chapter.

(e) Investments under this section are subject to section 2.5 of this chapter.

(f) This section does not apply to a local board established under IC 36-8-7.6.

SECTION 228. IC 36-8-7.5-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 1. (a) This chapter applies to pension benefits for members of police departments hired before May 1, 1977, by a consolidated city.

(b) A police officer with twenty (20) years of service is covered by this chapter and not by IC 36-8-8 if:

(1) the officer was hired before May 1, 1977;

(2) the officer did not convert under IC 19-1-17.8-7 (repealed September 1, 1981);

(3) the officer was not a member of the 1953 fund because:

(A) ~~his~~ **the officer's** employment was on a temporary or emergency status under a statute in effect before February 25, 1953;

(B) ~~he~~ **the officer** failed to pass a five (5) year physical requirement under such a statute; or

(C) ~~he~~ **the officer** was a war veteran without pension status;

(4) the officer submitted to a physical medical examination, if required by the local board, and the results were satisfactory; and

(5) the officer was accepted by the local board as a member of the 1953 fund upon payment of all dues required for ~~his~~ **the officer's** entire time as a member of the police department.

(c) A police officer is covered by this chapter and not by IC 36-8-8 if ~~he:~~ **the officer:**

(1) was hired before May 1, 1977; and

(2) did not convert under IC 19-1-17.8-7 (repealed September 1, 1981).

(d) A police officer is covered by this chapter and not by IC 36-8-8

if ~~he.~~ **the officer:**

(1) was hired before May 1, 1977;

(2) did not convert under IC 19-1-17.8-7 (repealed September 1, 1981);

(3) is a regularly appointed member of the police department;

(4) is a member of the 1953 fund;

(5) was employed on a temporary or emergency status before regular employment; and

(6) paid into the 1953 fund by not later than January 1, 1968, all dues for the period ~~he~~ **the officer** was on temporary or emergency status.

(e) A police officer who:

(1) is covered by this chapter before January 1, 2006; and

(2) after December 31, 2005, becomes a member of the metropolitan law enforcement agency established under IC 36-8-10.1;

is covered by this chapter after December 31, 2005, and the officer's service as a member of the metropolitan law enforcement agency is considered active service under this chapter.

~~(e)~~ **(f)** In computing the length of active service rendered by any police officer for the purpose of determining the expiration of a period of twenty (20) years of active service, all of the following periods are counted:

(1) All of the time the officer performed the duties of ~~his~~ **the officer's** position in active service.

(2) Vacation time or periods of leave of absence with whole or part pay.

(3) Periods of leave of absence without pay that were necessary on account of physical or mental disability.

(4) Periods of disability for which the officer will receive or has received any disability benefit.

~~(f)~~ **(g)** In computing the term of service there is not included any of the following:

(1) Periods during which the police officer was or is suspended or on leave of absence without pay.

(2) Periods during which the officer was not in active service on account of ~~his~~ **the officer's** resignation from the department.

(3) Time served as a special police officer, a merchant police officer, or private police officer.

SECTION 229. IC 36-8-7.5-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 2. (a) A police pension fund to be known as the 1953 fund is established in each consolidated city.

(b) The 1953 fund shall be managed by a board of trustees (referred to as the "local board" in this chapter) ~~having nine (9) trustees, as follows:~~

~~(1) The city executive, the county treasurer, and the city police chief.~~

~~(2) One (1) retired member of the police department.~~

~~(3) Five (5) active members of the police department.~~

~~(c) The trustee under subsection (b)(2) shall be elected at a meeting of the retired members of the 1953 fund. The trustees under subsection (b)(3) shall be elected at a meeting of the active members of the police department. The trustees are elected for terms of three (3) years, beginning on January 1 following the election, and succeeding those trustees whose terms of office expire on that date.~~

~~(d) If a vacancy occurs on the local board among those trustees elected by the police department, the remaining trustees of the local board shall fill the vacancy for the unexpired term of the trustee causing the vacancy, from the same class of members, active or retired, as was the trustee causing the vacancy.~~

~~(e) Any trustee of the local board elected as an active member of the police department automatically ceases to be a member of the local board if he ceases, for any reason, to be an active member of the police department and the vacancy shall be filled as provided in subsection (d).~~

~~(f) The trustees receive no compensation for their services and shall be paid only their necessary and actual expenses, including travel expenses, out of the fund in the custody of the treasurer, for acting upon matters related to the 1953 fund. The submission of expenses by any local board member and the authorization by the local board at regular meeting is sufficient authorization to the treasurer for payment.~~

~~(g) The local board may make all necessary bylaws for:~~

~~(1) meetings of the trustees;~~

~~(2) the manner of their election, including the counting and canvassing of the votes;~~

~~(3) the collection of all money and other property due or belonging to the 1953 fund;~~

~~(4) all matters connected with the care, preservation, and disbursement of the fund; and~~

~~(5) all other matters connected with the proper execution of this chapter.~~

established under IC 36-8-7.6.

SECTION 230. IC 36-8-7.5-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 10. (a) If the local board determines that the total amount of money available for a year will be insufficient to pay the benefits, pensions, and retirement allowances the local board is obligated to pay under this chapter, the local board shall, before the date on which the budget of the police special service district is adopted, prepare an itemized estimate in the form prescribed by the state board of accounts of the amount of money that will be receipted into and disbursed from the 1953 fund during the next fiscal year. The estimated receipts consist of the items enumerated in section 8 of this chapter. The estimated disbursements consist of an estimate of the amount of money that will be needed by the local board during the next fiscal year to defray the expenses and obligations incurred and that will be incurred by the local board in making the payments prescribed by this chapter to retired members, to members who are eligible and expect to retire during the ensuing fiscal year, and to the dependents of deceased members.

(b) At the time when the estimates are prepared and submitted, the local board shall also prepare and submit a certified statement showing:

(1) the estimated number of beneficiaries from the 1953 fund during the ensuing fiscal year in each of the various classifications of beneficiaries as prescribed in this chapter, and the names and amount of benefits being paid to those actively on the list of beneficiaries at that time;

(2) the name, age, and length of service of each member of the police department who is eligible to and expects to retire during the ensuing fiscal year, and the monthly and yearly amounts of the payment that the member will be entitled to receive; and

(3) the name and age of each dependent of a member of the police department who is then receiving benefits, the date on which the dependent commenced drawing benefits, and the date on which the dependent will cease to be a dependent by reason of attaining the age limit prescribed by this chapter, and the monthly and yearly amounts of the payments to which each of the dependents is entitled.

(c) After the amounts of receipts and disbursements shown in the itemized estimate are fixed and approved by the executive, fiscal officer, legislative body and other bodies, as provided by law for other municipal funds, the total receipts shall be deducted from the total expenditures stated in the itemized estimate, and the amount of the excess shall be paid by the police special service district in the same manner as other expenses of the district are paid. The legislative body shall levy a tax ~~and~~ **in the police special service district in the amount and at the rate that is necessary to produce sufficient revenue to pay the deficit described in subsection (a). This levy is in addition to the levy, if any, in the police special service district to pay operational expenses of the metropolitan law enforcement agency under IC 36-8-10.1-17. The part of** the money derived from the levy **equal to the deficit** shall, when collected, be credited exclusively to the 1953 fund. ~~The tax shall be levied in the amount and at the rate that is necessary to produce sufficient revenue to equal the deficit.~~ Notwithstanding any other law, neither the county board of tax adjustment nor the department of local government finance may reduce the **part of the** tax levy **equal to the deficit.**

SECTION 231. IC 36-8-7.5-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 12. (a) Benefits paid under this section are subject to section 1.5 of this chapter.

(b) The 1953 fund shall be used to provide a member of the police department who retires from active duty after twenty (20) or more years of active duty an annual pension equal to fifty percent (50%) of

the salary of a first class patrolman in the police department, plus:

(1) for a member who retires before January 1, 1986, two percent (2%) of the first class patrolman's salary for each year of service; or

(2) for a member who retires after December 31, 1985, one percent (1%) of the first class patrolman's salary for each six (6) months of service;

of the retired member over twenty (20) years. The pension may not exceed in any year an amount greater than seventy-four percent (74%) of the salary of a first class patrolman. The pensions shall be computed on an annual basis but shall be paid in twelve (12) equal monthly installments. If the salary of a first class patrolman is increased or decreased, the pension payable shall be proportionately increased or decreased.

(c) If a member retires upon his voluntary application after twenty (20) years or more of active service, he then relinquishes all rights to other benefits or pensions for disability during the time of his retirement.

(d) After retirement the member is not required to render further services on the police department and is no longer subject to the rules of the police department, unless a national emergency has been declared by the local board, on application by the executive, ~~the safety board, and the police chief of the city.~~ **the sheriff, or the chief of the metropolitan law enforcement agency**. Upon declaration of such an emergency, the retired member, if physically able, shall return to active duty under the rank he attained at the time of his retirement, and if he refuses to return to active duty upon being declared physically fit, he forfeits his right to receive his pension until the time he returns to active duty and again is retired or discharged from service.

(e) No pension, annuity, or benefit provided by this chapter is payable by the local board except upon written application by the member of the police department, or the surviving spouse or other dependent, upon the forms and with the information required by the local board.

SECTION 232. IC 36-8-7.6 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:

Chapter 7.6. Public Safety Pension Commission in a Consolidated City

Sec. 1. This chapter applies to a consolidated city after December 31, 2005.

Sec. 2. (a) The public safety pension commission is established.

(b) After December 31, 2005, the boards of trustees of:

(1) the 1925 fund, for the police departments being consolidated into the metropolitan law enforcement agency under IC 36-8-10.1;

(2) the 1937 fund, for the fire departments being consolidated into the fire department of the consolidated city under IC 36-3-1-6.1 or IC 36-3-1-6.3; and

(3) the 1953 fund, for the police department being consolidated into the metropolitan law enforcement agency under IC 36-8-10.1;

are abolished, and except as otherwise provided by this chapter, the powers and duties of those boards of trustees necessary to administer and manage the 1925 fund, the 1937 fund, and the 1953 fund are transferred to and assumed by the public safety pension commission.

Sec. 3. (a) The local board consists of fourteen (14) trustees, as follows:

(1) The city executive, or the executive's designee.

(2) The city controller.

(3) The county auditor.

(4) The county treasurer.

(5) The chair of the administration and finance committee of the city-county legislative body.

(6) The chair of the public safety and criminal justice committee of the city-county legislative body.

(7) The chief of the consolidated fire department, or the chief's designee.

(8) An active member of the metropolitan law enforcement agency (established by IC 36-8-10.1-16), appointed by the county sheriff and having an appointed rank of at least assistant chief.

(9) An active member of the metropolitan law enforcement agency (established by IC 36-8-10.1-16), elected by the active members of the metropolitan law enforcement agency.

(10) An active member of the consolidated fire department (established by IC 36-3-1-6.1), elected by the active members of the consolidated fire department.

(11) A trustee who is a certified public accountant, appointed by the city executive.

(12) A trustee who is employed in an occupation related to pension finance or administration, appointed by the city executive.

(13) A retired member from the consolidated city's police department as the department existed before January 1, 2006, elected by the retired members of the consolidated city's police department who are members of the 1953 fund or the 1977 fund.

(14) A retired member of the consolidated fire department, elected by the retired members of the consolidated fire department who are members of the 1937 fund or 1977 fund.

(b) The trustee described in subsection (a)(9) must be elected at a meeting of the active members of the metropolitan law enforcement agency.

(c) The trustee described in subsection (a)(10) must be elected at a meeting of the active members of the consolidated fire department.

(d) The trustee described in subsection (a)(13) must be elected at a meeting of the retired members of the police department of the consolidated city who are members of the 1953 fund or the 1977 fund.

(e) The trustee described in subsection (a)(14) must be elected at a meeting of the retired members of the consolidated fire department who are members of the 1937 fund or the 1977 fund.

Sec. 4. Unless a bylaw adopted by the local board under section 10 of this chapter provides otherwise, the following governs the terms of the trustees:

(1) A trustee listed in section 3(a)(1) through 3(a)(7) of this chapter serves by virtue of the trustee's elected or appointed office.

(2) Except for the initial trustees whose terms may be shorter, a trustee serves a term of three (3) years, beginning on January 1 following the trustee's appointment or election and until the trustee's successor is appointed or elected, and qualified.

(3) A vacancy shall be filled in the same manner as the vacating trustee was selected for the remainder of the trustee's term.

(4) A person who must be an active member of:

(A) the metropolitan law enforcement agency; or

(B) the consolidated fire department;

to serve as a trustee automatically vacates the office, if the person, for any reason, is no longer an active member of the agency or department.

(5) The terms of at least two (2) of the trustees listed in section 3(a)(8) through 3(a)(14) of this chapter must expire each year.

Sec. 5. The city executive shall designate one (1) of the trustees appointed under section 3(a)(11) or 3(a)(12) of this chapter as the president of the local board.

Sec. 6. (a) The city controller shall serve as the treasurer of the local board.

(b) The treasurer shall perform the following duties:

(1) Have or arrange for custody of all property, money, and securities deposited into the 1925 fund, the 1937 fund, and the 1953 fund, and separately account for the assets of each fund.

(2) Keep a true account of the proceedings of the local board.

(3) Keep a correct statement of the account of each member with the member's fund.

(4) When leaving the treasurer's office, account to the local board for all property, money and securities, including the

income received, in the 1925 fund, the 1937 fund, and the 1953 fund.

(5) Turn over to a successor:

(A) all property, money, and securities belonging; and

(B) all books and papers pertaining;

to the 1925 fund, the 1937 fund, and the 1953 fund, that are in the treasurer's possession.

(6) Execute a bond, in the manner prescribed by IC 5-4-1, covering:

(A) the faithful performance of the treasurer's duties; and

(B) the duty to fully account for all property, money, and securities belonging to the 1925 fund, the 1937 fund, and the 1953 fund that are in the treasurer's possession.

(7) Except as provided by this chapter, perform any other duties of a fund treasurer or a fund secretary:

(A) required by IC 36-8-6, IC 36-8-7, or IC 36-8-7.5; or

(B) assigned by the local board.

(c) The treasurer shall provide complete and accurate reports to the local board concerning the 1925 fund, the 1937 fund, and the 1953 fund in the manner and as often as the local board, by bylaw, establishes.

(d) The books of the treasurer must be open at all times to examination by the trustees of the local board.

Sec. 7. The local board shall submit a report each July to the city-county legislative body. The report must cover the preceding calendar year through December 31, and must contain a detailed statement of the affairs of the 1925 fund, the 1937 fund, and the 1953 fund, including a separate accounting of the income, disbursements, assets, and liabilities of each fund during the preceding calendar year.

Sec. 8. (a) The local board shall appoint, as necessary, actuarial, medical, clerical, legal, or other employees, and set or approve their compensation.

(b) The treasurer has the discretion to appropriately attribute to or apportion among the 1925 fund, the 1937 fund, and the 1953 fund for payment of the costs of the services described in subsection (a).

Sec. 9. The trustees of the local board receive no compensation for their services.

Sec. 10. The local board may adopt all bylaws that are necessary for the management of the 1925 fund, the 1937 fund, and the 1953 fund, including bylaws covering the following administrative matters:

(1) The conduct of local board meetings.

(2) The procedures for trustee appointments or elections.

(3) The collection of all money and other property due or belonging to the 1925 fund, the 1937 fund, or the 1953 fund.

(4) The care, preservation, and disbursement of assets from the 1925 fund, the 1937 fund, and the 1953 fund.

(5) The formation of one (1) or more subcommittees to review retirement, disability, and survivor applications for benefits, and other matters concerning benefits of retirees, survivors, and beneficiaries.

(6) The terms of the trustees initially appointed or elected under section 3(a)(8) through 3(a)(14) of this chapter.

(7) All other matters necessary for the management of the 1925 fund, the 1937 fund, or the 1953 fund.

Sec. 11. The local board may invest the 1925 fund, the 1937 fund, or the 1953 fund in any of the following:

(1) Interest bearing direct obligations of the United States or of the state or bonds lawfully issued by an Indiana political subdivision.

(2) Savings deposits or certificates of deposit of a chartered national, state, or mutual bank whose deposits are insured by a federal agency. However, deposits may not be made in excess of the amount of insurance protection afforded a member or investor of the bank.

(3) Shares of:

(A) a federal savings association organized under 12 U.S.C. 1461, as amended, having its principal office in Indiana; or

(B) a savings association organized and operating under state law whose accounts are insured by a federal agency. However, the local board may not purchase shares in excess of the amount of insurance protection afforded a member or an investor of the association.

(4) An investment authorized under IC 5-13-9.

Sec. 12. (a) The city controller may establish a pension stabilization account for the consolidated city to fund the consolidated city's obligations under the 1925 fund, the 1937 fund, or the 1953 fund.

(b) The city executive and the city controller shall determine the amount, if any, of the pension stabilization account that may be used each fiscal year to meet the obligations described in subsection (a).

(c) The city controller may, in the controller's sole discretion, deposit all or any part of the consolidated city's pension stabilization account with the board of trustees of the public employees' retirement fund (the PERF board) to have the PERF board administer and invest some or all of the consolidated city's pension stabilization account assets in accordance with IC 5-10.3-5-3 and IC 5-10.3-11-6.

(d) As required by IC 5-10.3-11-6, the consolidated city's deposit described in subsection (c) is a separate and distinct account within the public employees' retirement fund and the pension relief fund. The assets in the consolidated city's account may be commingled with other funds administered by the public employee's retirement fund for investment purposes.

Sec. 13. The local board has no taxing authority.

SECTION 233. IC 36-8-8-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 1. This chapter applies to:

(1) full-time police officers hired or rehired after April 30, 1977, in all municipalities, or who converted their benefits under IC 19-1-17.8-7 (repealed September 1, 1981);

(2) full-time fully paid firefighters hired or rehired after April 30, 1977, or who converted their benefits under IC 19-1-36.5-7 (repealed September 1, 1981);

(3) a police matron hired or rehired after April 30, 1977, and before July 1, 1996, who is a member of a police department in a second or third class city on March 31, 1996; ~~and~~

(4) a park ranger who:

(A) completed at least the number of weeks of training at the Indiana law enforcement academy or a comparable law enforcement academy in another state that were required at the time the park ranger attended the Indiana law enforcement academy or the law enforcement academy in another state;

(B) graduated from the Indiana law enforcement academy or a comparable law enforcement academy in another state; and

(C) is employed by the parks department of a city having a population of more than one hundred twenty thousand (120,000) but less than one hundred fifty thousand (150,000);

(5) a full-time police officer who is covered by this chapter before January 1, 2006, and after December 31, 2005, becomes a member of the metropolitan law enforcement agency established under IC 36-8-10.1 provided that the officer's service as a member of the metropolitan law enforcement agency is considered active service under this chapter;

(6) a full-time police officer who is hired or rehired after January 1, 2006, by the metropolitan law enforcement agency established by IC 36-8-10.1-16;

(7) a full-time fully paid firefighter who is covered by this chapter before January 1, 2006, and after December 31, 2005, becomes a member of the fire department of a consolidated city under IC 36-3-1-6.1 or IC 36-3-1-6.3 provided that the firefighter's service as a member of the fire department of a consolidated city is considered active service under this chapter; and

(8) a full-time fully paid firefighter who is hired or rehired after January 1, 2006, by the fire department of a consolidated city established under IC 36-3-1-6.1;

except as provided by section 7 of this chapter.

SECTION 234. IC 36-8-8-2 IS AMENDED TO READ AS

FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 2. As used in this chapter, "employer" means:

(1) a municipality that established a 1925 or 1953 fund or that participates in the 1977 fund under section 3 or 18 of this chapter; ~~or~~

(2) a unit that established a 1937 fund or that participates in the 1977 fund under section 3 or 18 of this chapter;

(3) a consolidated city that consolidated the police departments of units that:

(A) established a 1925 or 1953 fund; or

(B) participated in the 1977 fund;

before the units' consolidation into the metropolitan law enforcement agency established by IC 36-8-10.1-16; or

(4) a consolidated city that consolidated the fire departments of units that:

(A) established a 1937 fund; or

(B) participated in the 1977 fund;

before the units' consolidation into the fire department of a consolidated city established by IC 36-3-1-6.1.

SECTION 235. IC 36-8-8-2.1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 2.1. (a) As used in this chapter, "local board" means the following:

(1) **Except as provided in subdivision (2),** for a unit that established a 1925 fund for its police officers, the local board described in IC 36-8-6-2.

(2) For a unit that established a 1925 fund for its police officers and consolidates its police department into the metropolitan law enforcement agency under IC 36-8-10.1:

(A) before the date the consolidation is effective, the local board described in IC 36-8-6-2; and

(B) on and after the date the consolidation is effective, the local board established by IC 36-8-7.6-2.

~~(2)~~ **(3) Except as provided in subdivision (4) or (5),** for a unit that established a 1937 fund for its firefighters, the local board described in IC 36-8-7-3.

(4) Except as provided in subdivision (5), for a unit that established a 1937 fund for its firefighters and consolidates its fire department into the fire department of a consolidated city under IC 36-3-1-6.1 or IC 36-3-1-6.3:

(A) before the date the consolidation is effective, the local board described in IC 36-8-7-3; and

(B) on and after the date the consolidation is effective, the local board established by IC 36-8-7.6-2.

(5) For a consolidated city that established a 1937 fund for its firefighters:

(A) before January 1, 2006, the local board described in IC 36-8-7-3; and

(B) after December 31, 2005, the local board established by IC 36-8-7.6-2.

~~(3)~~ **(6)** For a consolidated city that established a 1953 fund for its police officers:

(A) before January 1, 2006, the local board described in IC 36-8-7.5-2; **and**

(B) after December 31, 2005, the local board established by IC 36-8-7.6-2.

~~(4)~~ **(7)** For a unit, other than a consolidated city, that did not establish a 1925 fund for its police officers or a 1937 fund for its firefighters, the local board described in subsection (b) or (c).

(b) If a unit did not establish a 1925 fund for its police officers, a local board shall be composed in the same manner described in IC 36-8-6-2(b). However, if there is not a retired member of the department, no one shall be appointed to that position until such time as there is a retired member.

(c) If a unit did not establish a 1937 fund for its firefighters, a local board shall be composed in the same manner described in IC 36-8-7-3(b). However, if there is not a retired member of the department, no one shall be appointed to that position until such time as there is a retired member.

SECTION 236. IC 36-8-8-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 7. (a) Except as provided in subsections (d), (e), (f), (g), ~~and~~ (h), **(k), and (l):**

(1) a police officer; or

(2) a firefighter;

who is less than thirty-six (36) years of age and who passes the baseline statewide physical and mental examinations required under section 19 of this chapter shall be a member of the 1977 fund and is not a member of the 1925 fund, the 1937 fund, or the 1953 fund.

(b) A police officer or firefighter with service before May 1, 1977, who is hired or rehired after April 30, 1977, may receive credit under this chapter for service as a police officer or firefighter prior to entry into the 1977 fund if the employer who rehires ~~him~~ **the police officer or firefighter** chooses to contribute to the 1977 fund the amount necessary to amortize ~~his~~ **the police officer's or firefighter's** prior service liability over a period of not more than forty (40) years, the amount and the period to be determined by the PERF board. If the employer chooses to make the contributions, the police officer or firefighter is entitled to receive credit for ~~his~~ **the police officer's or firefighter's** prior years of service without making contributions to the 1977 fund for that prior service. In no event may a police officer or firefighter receive credit for prior years of service if the police officer or firefighter is receiving a benefit or is entitled to receive a benefit in the future from any other public pension plan with respect to the prior years of service.

(c) Except as provided in section 18 of this chapter, a police officer or firefighter is entitled to credit for all years of service after April 30, 1977, with the police or fire department of an employer covered by this chapter.

(d) A police officer or firefighter with twenty (20) years of service does not become a member of the 1977 fund and is not covered by this chapter, if ~~he:~~ **the police officer or firefighter:**

(1) was hired before May 1, 1977;

(2) did not convert under IC 19-1-17.8-7 or IC 19-1-36.5-7 (both of which were repealed September 1, 1981); and

(3) is rehired after April 30, 1977, by the same employer.

(e) A police officer or firefighter does not become a member of the 1977 fund and is not covered by this chapter if ~~he:~~ **the police officer or firefighter:**

(1) was hired before May 1, 1977;

(2) did not convert under IC 19-1-17.8-7 or IC 19-1-36.5-7 (both of which were repealed September 1, 1981);

(3) was rehired after April 30, 1977, but before February 1, 1979; and

(4) was made, before February 1, 1979, a member of a 1925, 1937, or 1953 fund.

(f) A police officer or firefighter does not become a member of the 1977 fund and is not covered by this chapter if ~~he:~~ **the police officer or firefighter:**

(1) was hired by the police or fire department of a unit before May 1, 1977;

(2) did not convert under IC 19-1-17.8-7 or IC 19-1-36.5-7 (both of which were repealed September 1, 1981);

(3) is rehired by the police or fire department of another unit after December 31, 1981; and

(4) is made, by the fiscal body of the other unit after December 31, 1981, a member of a 1925, 1937, or 1953 fund of the other unit.

If the police officer or firefighter is made a member of a 1925, 1937, or 1953 fund, ~~he~~ **the police officer or firefighter** is entitled to receive credit for all ~~his~~ **the police officer's or firefighter's** years of service, including years before January 1, 1982.

(g) As used in this subsection, "emergency medical services" and "emergency medical technician" have the meanings set forth in IC 16-18-2-110 and IC 16-18-2-112. A firefighter who:

(1) is employed by a unit that is participating in the 1977 fund;

(2) was employed as an emergency medical technician by a political subdivision wholly or partially within the department's jurisdiction;

(3) was a member of the public employees' retirement fund during the employment described in subdivision (2); and

(4) ceased employment with the political subdivision and was hired by the unit's fire department due to the reorganization of emergency medical services within the department's jurisdiction;

shall participate in the 1977 fund. A firefighter who participates in the 1977 fund under this subsection is subject to sections 18 and 21 of

this chapter.

(h) A police officer or firefighter does not become a member of the 1977 fund and is not covered by this chapter if the individual was appointed as:

(1) a fire chief under a waiver under IC 36-8-4-6(c); or

(2) a police chief under a waiver under IC 36-8-4-6.5(c);

unless the executive of the unit requests that the 1977 fund accept the individual in the 1977 fund and the individual previously was a member of the 1977 fund.

(i) A police matron hired or rehired after April 30, 1977, and before July 1, 1996, who is a member of a police department in a second or third class city on March 31, 1996, is a member of the 1977 fund.

(j) A park ranger who:

(1) completed at least the number of weeks of training at the Indiana law enforcement academy or a comparable law enforcement academy in another state that were required at the time the park ranger attended the Indiana law enforcement academy or the law enforcement academy in another state;

(2) graduated from the Indiana law enforcement academy or a comparable law enforcement academy in another state; and

(3) is employed by the parks department of a city having a population of more than one hundred twenty thousand (120,000) but less than one hundred fifty thousand (150,000);

is a member of the fund.

(k) Notwithstanding any other provision of this chapter, a police officer or a firefighter:

(1) who is a member of the 1977 fund before January 1, 2006;

(2) whose employer is consolidated into:

(A) the metropolitan law enforcement agency under IC 36-8-10.1; or

(B) the fire department of a consolidated city under IC 36-3-1-6.1 or IC 36-3-1-6.3; and

(3) who, after the consolidation, becomes an employee of:

(A) the metropolitan law enforcement agency under IC 36-8-10.1; or

(B) the fire department of a consolidated city under IC 36-3-1-6.1 or IC 36-3-1-6.3;

is a member of the 1977 fund without meeting the requirements under sections 19 and 21 of this chapter.

(l) Notwithstanding any other provision of this chapter, a police officer or a firefighter who:

(1) before January 1, 2006, provides fire protection or law enforcement services for an entity in a consolidated city;

(2) has the provision of those services consolidated into:

(A) the metropolitan law enforcement agency under IC 36-8-10.1; or

(B) the fire department of a consolidated city under IC 36-3-1-6.1 or IC 36-3-1-6.3; and

(3) after the consolidation, becomes an employee of:

(A) the metropolitan law enforcement agency under IC 36-8-10.1; or

(B) the fire department of a consolidated city under IC 36-3-1-6.1 or IC 36-3-1-6.3;

is a member of the 1977 fund without meeting the requirements under sections 19 and 21 of this chapter.

(m) A police officer or firefighter who is a member of the 1977 fund under subsection (k) or (l):

(1) may not be:

(A) retired for purposes of section 10 of this chapter; or

(B) disabled for purposes of section 12 of this chapter;

solely because of a change in employer described in subsection (k) or (l); and

(2) shall receive credit for all years of service as a member of the 1977 fund before the consolidation described in subsection (k) or (l).

(n) Notwithstanding any other provision of this chapter, upon the request of the executive of a consolidated city to the PERF board, a sheriff of a county having a consolidated city may become a member of the 1977 fund without meeting:

(1) the age limitations under subsection (a); or

(2) the requirements under section 19 of this chapter.

SECTION 237. IC 36-8-10-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 1. **(a) Except as provided in subsection (b),** this chapter applies to all counties.

(b) Except as provided in section 9 of this chapter, this chapter does not apply to a county having a consolidated city that establishes a metropolitan law enforcement agency under IC 36-8-10.1.

SECTION 238. IC 36-8-10-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 9. **(a) This section applies to a county having a consolidated city that establishes a metropolitan law enforcement agency under IC 36-8-10.1. The members of the metropolitan law enforcement agency have the powers listed in this section that are not powers given to the members of the metropolitan law enforcement agency under IC 36-3-6-8.**

~~(a)~~ **(b)** Each member of the department:

(1) has general police powers;

(2) shall arrest, without process, all persons who commit an offense within ~~his~~ **the member's** view, take them before the court having jurisdiction, and detain them in custody until the cause of the arrest has been investigated;

(3) shall suppress all breaches of the peace within ~~his~~ **the member's** knowledge, with authority to call to ~~his~~ **the member's** aid the power of the county;

(4) shall pursue and commit to the jail of the county all felons;

(5) may execute all process directed to the sheriff by legal authority;

(6) shall attend upon and preserve order in all courts of the county;

(7) shall guard prisoners in the county jail;

(8) shall serve all process directed to the sheriff from a court or from the county executive according to law; and

(9) shall take photographs, fingerprints, and other identification data as shall be prescribed by the sheriff of persons taken into custody for felonies or misdemeanors.

~~(b)~~ **(c)** A person who:

(1) refuses to be photographed;

(2) refuses to be fingerprinted;

(3) withholds information; or

(4) gives false information;

as prescribed in subsection (a)(9), commits a Class C misdemeanor.

SECTION 239. IC 36-8-10-10.6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 10.6. (a) The sheriff may appoint as a special deputy any person who is employed by a governmental entity as defined in IC 35-41-1 or private employer, the nature of which employment necessitates that the person have the powers of a law enforcement officer. During the term of ~~his~~ **the person's** appointment and while ~~he~~ **the person** is fulfilling the specific responsibilities for which the appointment is made, a special deputy has the powers, privileges, and duties of a county police officer under this chapter, subject to any written limitations and specific requirements imposed by the sheriff and signed by the special deputy. A special deputy is subject to the direction of the sheriff and shall obey the rules and orders of the department. A special deputy may be removed by the sheriff at any time, without notice and without assigning any cause.

(b) The sheriff shall fix the prerequisites of training, education, and experience for special deputies, subject to the minimum requirements prescribed by this subsection. Applicants must:

(1) be twenty-one (21) years of age or older;

(2) never have been convicted of a felony, or a misdemeanor involving moral turpitude;

(3) be of good moral character; and

(4) have sufficient training to insure the proper performance of their authorized duties.

(c) Except as provided in subsection (d), a special deputy shall wear a uniform the design and color of which is easily distinguishable from the uniforms of the Indiana state police, the regular county police force, and all municipal police and fire forces located in the county.

(d) The sheriff may permit a special deputy to wear the uniform of the regular county police force if the special deputy:

(1) has successfully completed the minimum basic training

requirements under IC 5-2-1;

(2) is periodically assigned by the sheriff to duties of a regular county police officer; and

(3) is an employee of the department.

The sheriff may revoke permission for the special deputy to wear the uniform of the regular county police force at any time without cause or notice.

(e) The sheriff may also appoint one (1) legal deputy, who must be a member of the Indiana bar. The legal deputy does not have police powers. The legal deputy may continue to practice law. However, neither the legal deputy nor any attorney in partnership with ~~him~~ **the legal deputy** may represent a defendant in a criminal case.

(f) The sheriff, for the purpose of guarding prisoners in the county jail,

~~(1) in counties not having a consolidated city,~~ may appoint special deputies to serve as county jail guards. ~~and~~

~~(2) in counties having a consolidated city, shall appoint only special deputies to serve as county jail guards.~~

This subsection does not affect the rights or liabilities accrued by any county police officer assigned to guard the jail before August 31, 1982.

SECTION 240. IC 36-8-10-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 12. (a) The department and a trustee may establish and operate an actuarially sound pension trust as a retirement plan for the exclusive benefit of the employee beneficiaries. However, a department and a trustee may not establish or modify a retirement plan after June 30, 1989, without the approval of the county fiscal body which shall not reduce or diminish any benefits of the employee beneficiaries set forth in any retirement plan that was in effect on January 1, 1989.

(b) The normal retirement age may be earlier but not later than the age of seventy (70). However, the sheriff may retire an employee who is otherwise eligible for retirement if the board finds that the employee is not physically or mentally capable of performing the employee's duties.

(c) Joint contributions shall be made to the trust fund:

(1) either by:

(A) the department through a general appropriation provided to the department;

(B) a line item appropriation directly to the trust fund; or

(C) both; and

(2) by an employee beneficiary through authorized monthly deductions from the employee beneficiary's salary or wages. However, the employer may pay all or a part of the contribution for the employee beneficiary.

Contributions through an appropriation are not required for plans established or modifications adopted after June 30, 1989, unless the establishment or modification is approved by the county fiscal body.

(d) ~~For a county not having a consolidated city,~~ The monthly deductions from an employee beneficiary's wages for the trust fund may not exceed six percent (6%) of the employee beneficiary's average monthly wages. ~~For a county having a consolidated city, the monthly deductions from an employee beneficiary's wages for the trust fund may not exceed seven percent (7%) of the employee beneficiary's average monthly wages.~~

(e) The minimum annual contribution by the department must be sufficient, as determined by the pension engineers, to prevent deterioration in the actuarial status of the trust fund during that year. If the department fails to make minimum contributions for three (3) successive years, the pension trust terminates and the trust fund shall be liquidated.

(f) If during liquidation all expenses of the pension trust are paid, adequate provision must be made for continuing pension payments to retired persons. Each employee beneficiary is entitled to receive the net amount paid into the trust fund from the employee beneficiary's wages, and any remaining sum shall be equitably divided among employee beneficiaries in proportion to the net amount paid from their wages into the trust fund.

(g) If a person ceases to be an employee beneficiary because of death, disability, unemployment, retirement, or other reason, the person, the person's beneficiary, or the person's estate is entitled to receive at least the net amount paid into the trust fund from the person's wages, either in a lump sum or monthly installments not less than the person's pension amount.

(h) If an employee beneficiary is retired for old age, the employee beneficiary is entitled to receive a monthly income in the proper amount of the employee beneficiary's pension during the employee beneficiary's lifetime.

(i) To be entitled to the full amount of the employee beneficiary's pension classification, an employee beneficiary must have contributed at least twenty (20) years of service to the department before retirement. Otherwise, the employee beneficiary is entitled to receive a pension proportional to the length of the employee beneficiary's service.

(j) This subsection does not apply to a county that adopts an ordinance under section 12.1 of this chapter. For an employee beneficiary who retires before January 1, 1985, a monthly pension may not exceed by more than twenty dollars ($20) one-half (½) the amount of the average monthly wage received during the highest paid five (5) years before retirement. However, in counties where the fiscal body approves the increases, the maximum monthly pension for an employee beneficiary who retires after December 31, 1984, may be increased by no more or no less than two percent (2%) of that average monthly wage for each year of service over twenty (20) years to a maximum of seventy-four percent (74%) of that average monthly wage plus twenty dollars ($20). For the purposes of determining the amount of an increase in the maximum monthly pension approved by the fiscal body for an employee beneficiary who retires after December 31, 1984, the fiscal body may determine that the employee beneficiary's years of service include the years of service with the sheriff's department that occurred before the effective date of the pension trust. For an employee beneficiary who retires after June 30, 1996, the average monthly wage used to determine the employee beneficiary's pension benefits may not exceed the monthly minimum salary that a full-time prosecuting attorney was entitled to be paid by the state at the time the employee beneficiary retires.

(k) The trust fund may not be commingled with other funds, except as provided in this chapter, and may be invested only in accordance with statutes for investment of trust funds, including other investments that are specifically designated in the trust agreement.

(l) The trustee receives and holds as trustee all money paid to it as trustee by the department, the employee beneficiaries, or by other persons for the uses stated in the trust agreement.

(m) The trustee shall engage pension engineers to supervise and assist in the technical operation of the pension trust in order that there is no deterioration in the actuarial status of the plan.

(n) Within ninety (90) days after the close of each fiscal year the trustee, with the aid of the pension engineers, shall prepare and file an annual report with the department and the state insurance department. The report must include the following:

(1) Schedule 1. Receipts and disbursements.

(2) Schedule 2. Assets of the pension trust listing investments by book value and current market value as of the end of the fiscal year.

(3) Schedule 3. List of terminations, showing the cause and amount of refund.

(4) Schedule 4. The application of actuarially computed "reserve factors" to the payroll data properly classified for the purpose of computing the reserve liability of the trust fund as of the end of the fiscal year.

(5) Schedule 5. The application of actuarially computed "current liability factors" to the payroll data properly classified for the purpose of computing the liability of the trust fund as of the end of the fiscal year.

(o) No part of the corpus or income of the trust fund may be used or diverted to any purpose other than the exclusive benefit of the members and the beneficiaries of the members.

SECTION 241. IC 36-8-10.1 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:

Chapter 10.1. Metropolitan Law Enforcement Agency in a Consolidated City

Sec. 1. This chapter applies to a county having a consolidated city.

Sec. 2. As used in this chapter, "board" refers to the sheriff's merit board established by section 20 of this chapter.

Sec. 3. As used in this chapter, "chief" refers to the chief of the metropolitan law enforcement agency appointed by the sheriff under section 29 of this chapter.

Sec. 4. As used in this chapter, "commission" refers to the metropolitan police commission established by section 21 of this chapter.

Sec. 5. As used in this chapter, "department" refers to the sheriff's department.

Sec. 6. As used in this chapter, "eligible employee" means:

(1) the sheriff; or

(2) a county police officer;

before January 1, 2006.

Sec. 7. As used in this chapter, "employee beneficiary" means an eligible employee who, before January 1, 2006, completed an application to become an employee beneficiary and who has had the proper deductions made from the eligible employee's wages as required in the pension trust agreement.

Sec. 8. As used in this chapter, "member of the metropolitan law enforcement agency" or "member of the agency" means an individual performing law enforcement services as a full-time fully paid employee of the metropolitan law enforcement agency.

Sec. 9. As used in this chapter, "metropolitan law enforcement agency" or "agency" refers to the metropolitan law enforcement agency established by section 16 of this chapter as the law enforcement division of the department.

Sec. 10. As used in this chapter, "net amount paid into the trust fund from wages of an employee beneficiary" means the amount of money actually paid in from the wages of the employee beneficiary, plus interest at the rate of three percent (3%) compounded annually and less a sum including interest at the same rate, paid from the trust fund to the employee beneficiary or to a governmental fund for the credit or benefit of the employee beneficiary.

Sec. 11. As used in this chapter, "pension engineers" means technical consultants qualified to:

(1) supervise; and

(2) assist in the:

(A) maintenance of; and

(B) operation of;

a pension trust on an actuarially sound basis.

Sec. 12. As used in this chapter, "pension trust" means the trust established by the department before January 1, 2006, under IC 36-8-10-12.

Sec. 13. As used in this chapter, "trust fund" means the assets of the pension trust and consists of:

(1) voluntary contributions from the department;

(2) money paid from the wages of employee beneficiaries;

(3) income and proceeds derived from the investment of subdivisions (1) and (2); and

(4) other payments or contributions made to the pension trust.

Sec. 14. As used in this chapter, "trustee" refers to the trustee of the pension trust who may be:

(1) one (1) or more corporate trustees; or

(2) the treasurer of the county;

serving under bond.

Sec. 15. The department is responsible for providing all the following functions for the consolidated city and the county:

(1) County jail operations and facilities.

(2) Emergency communications.

(3) Law enforcement.

(4) Security for buildings and property owned by:

(A) the consolidated city;

(B) the county; or

(C) both the consolidated city and county.

(5) Service of court documents.

Sec. 16. (a) The metropolitan law enforcement agency is established.

(b) After December 31, 2005, the metropolitan law enforcement agency is the law enforcement division of the department.

(c) Except as provided by section 18 of this chapter, after December 31, 2005, the metropolitan law enforcement agency shall provide law enforcement services for the following:

(1) The consolidated city.

(2) The county.

(3) The territory in which an airport authority established for a consolidated city under IC 8-22-3 may provide law enforcement services.

(d) After December 31, 2005:

(1) the members of the police department of the consolidated city cease employment with the consolidated city;

(2) the county police officers cease employment as county police officers; and

(3) the officers providing law enforcement services for:

(A) the airport authority; or

(B) any agent of the airport authority;

cease employment with the airport authority; and

become members of the metropolitan law enforcement agency under this chapter.

(e) A member of the police department of a consolidated city who:

(1) was a member of the 1925 fund, the 1953 fund, or the 1977 fund before January 1, 2006; and

(2) after December 31, 2005, becomes a member of the metropolitan law enforcement agency under this chapter;

remains a member of the 1925 fund, the 1953 fund, or the 1977 fund. The member retains, after December 31, 2005, credit in the 1925 fund, the 1953 fund, or the 1977 fund for service earned while a member of the police department of the consolidated city, and continues to earn service credit in the 1925 fund, the 1953 fund, or the 1977 fund as a member of the metropolitan law enforcement agency.

(f) A member of the county police force who:

(1) was an employee beneficiary of the sheriff's pension trust before January 1, 2006; and

(2) after December 31, 2005, becomes a member of the metropolitan law enforcement agency under this chapter;

remains an employee beneficiary of the pension trust under this chapter. The member retains, after December 31, 2005, credit in the pension trust for service earned while a member of the county police force, and continues to earn service credit in the pension trust as a member of the metropolitan law enforcement agency.

(g) For purposes of this chapter, whenever a certain length of service with the metropolitan law enforcement agency is required for a particular appointment, a member of the agency with service as:

(1) a member of the police department of the consolidated city;

(2) a county police officer; or

(3) an officer providing law enforcement services for:

(A) the airport authority; or

(B) an agent of the airport authority;

before January 1, 2006, shall have that service included in determining the member's total length of service with the agency.

(h) This subsection does not apply to an individual who becomes a member of the metropolitan law enforcement agency under subsection (d). An individual may not be appointed or reappointed as a member of the metropolitan law enforcement agency after December 31, 2005, unless the individual:

(1) is less than thirty-six (36) years of age; and

(2) passes:

(A) the aptitude, physical agility, and physical examination required by the local board; and

(B) the statewide baseline standards required by IC 36-8-8-19.

A person who is appointed or reappointed to the metropolitan law enforcement agency after December 31, 2005, is a member of the 1977 fund.

Sec. 17. (a) Subject to commission review, the sheriff shall recommend the number and salary of the members of the metropolitan law enforcement agency. The city-county legislative body shall finally determine the budget and salaries of the agency.

(b) The expenses of the metropolitan law enforcement agency are a part of the department's budget, and the consolidated city and the county may levy property taxes to provide for the

payment of the expenses for the operation of the metropolitan law enforcement agency.

(c) To provide for the payment of the expenses for the operation of the metropolitan law enforcement agency, the consolidated city may levy property taxes on taxable property located within the area served by the agency as described in section 16(c) of this chapter.

(d) The police special service district established under IC 36-3-1-6 may levy property taxes to provide for the payment of expenses for the operation of the metropolitan law enforcement agency:

(1) within; or

(2) that directly benefit:

the territory of the police special service district. These amounts are in addition to the amounts levied by the police special service district to fund pension obligations under IC 36-8-7.5-10.

Sec. 18. (a) After December 31, 2005, the metropolitan law enforcement agency may not provide law enforcement services to an excluded city unless the law enforcement services are provided under an interlocal agreement under IC 36-1-7 or the conditions in subsection (b) are met.

(b) For the metropolitan law enforcement agency to provide law enforcement services to an excluded city other than under an interlocal agreement under IC 36-1-7, all the following must occur:

(1) The legislative body of the excluded city and the city-county legislative body must adopt substantially similar ordinances authorizing:

(A) the extension of the territory of the metropolitan law enforcement agency to include the excluded city; and

(B) the consolidation of the police department of the excluded city into the metropolitan law enforcement agency.

(2) The ordinances described in subdivision (1) must:

(A) specify the effective date of the consolidation; and

(B) set forth the conditions of the consolidation, including a transition plan for the consolidation approved by the commission.

(c) After the effective date of the consolidation described in subsection (b), the metropolitan law enforcement agency shall provide law enforcement services within the territory of the excluded city.

(d) Whenever an excluded city consolidates its police department into the metropolitan law enforcement agency under subsection (b), the local board for the 1925 fund of the excluded city is abolished and its services are terminated not later than the effective date of the consolidation. The duties performed by the local board under IC 36-8-6 are assumed by the local board created under IC 36-8-7.6.

(e) Whenever an excluded city consolidates its police department into the metropolitan law enforcement agency under subsection (b), the merit board and merit system of the police department of the excluded city are abolished, and the duties of the merit board of the excluded city are transferred to and assumed by the board established by section 20 of this chapter.

(f) After the effective date of the consolidation described in subsection (b), all the property, equipment, records, rights, and contracts of the police department of the excluded city are transferred to and assumed by the consolidated city.

(g) After the effective date of the consolidation described in subsection (b), the employees of the police department of the excluded city cease employment with the excluded city and become employees of the metropolitan law enforcement agency. The consolidated city shall assume all agreements with labor organizations that:

(1) are in effect after the effective date of the consolidation described in subsection (b); and

(2) apply to employees of the police department of the excluded city who become members of the metropolitan law enforcement agency.

(h) Whenever an excluded city consolidates its police department into the metropolitan law enforcement agency under subsection (b), for property taxes first due and payable in the calendar year following the effective date of the consolidation, the maximum permissible ad valorem property tax levy under IC 6-1.1-18.5:

(1) is increased for a consolidated city by the amount levied in the prior calendar year for police protection and related services by the excluded city; and

(2) is reduced for the excluded city by the amount levied in the prior calendar year for police protection and related services by the excluded city.

Sec. 19. (a) The members of the metropolitan law enforcement agency shall perform law enforcement duties as:

(1) assigned by the sheriff; or

(2) required by law.

(b) A member of the agency shall reside within:

(1) the county; or

(2) a county contiguous to the county.

(c) Subsection (b) does not apply to a member of the agency who:

(1) before January 1, 2006, was a member of the police department of a consolidated city;

(2) after December 31, 2005, became a member of the agency; and

(3) resided outside the county on January 1, 1975.

(d) The county shall furnish the sheriff and the members of the metropolitan law enforcement agency with the uniforms or other clothing that they need to perform their duties. However, after one (1) year of service in the metropolitan law enforcement agency, a member of the agency may be required by the county to furnish and maintain the member's own uniform clothing upon payment to the member by the county of an annual cash allowance of at least two hundred dollars ($200).

Sec. 20. (a) The sheriff's merit board is established.

(b) After December 31, 2005, the merit board and merit system of:

(1) the department; and

(2) the police department of a consolidated city;

are abolished, and the duties of those boards are transferred to and assumed by the board, unless otherwise provided in this chapter.

(c) The board consists of seven (7) members as follows:

(1) Four (4) members appointed by the sheriff.

(2) One (1) member appointed by the commission.

(3) Two (2) members elected by a majority vote of the active members of the metropolitan law enforcement agency.

(d) An active member of the metropolitan law enforcement agency may not serve on the board.

(e) The term of office for a member:

(1) appointed; or

(2) elected;

to the board is four (4) years, beginning on the date the member is qualified and assumes office, or for the remainder of an unexpired term. Members of the board serve during their respective terms and until their successors have been appointed and qualified. Before January 1, 2006, the initial members of the board must be appointed or elected as provided in subsection (c).

(f) Not more than:

(1) two (2) of the members appointed by the sheriff; or

(2) one (1) of the members elected by the active members of the metropolitan law enforcement agency;

may belong to the same political party.

(g) A member of the board must reside in the county.

(h) A member of the board may be removed for cause duly adjudicated by declaratory judgment of the superior court of the county.

(i) A member of the board is entitled to receive reimbursement from the county for actual expenses incurred while serving as a member.

(j) As soon as practicable after they are appointed and elected, the members of the board shall meet upon the call of the sheriff and organize by electing a president and a secretary from among their membership.

(k) Five (5) members of the board constitute a quorum for the transaction of business.

(l) The board must hold regular monthly meetings throughout the year as is necessary to transact the business of the

department.

Sec. 21. (a) The metropolitan police commission is established.

(b) The commission consists of the following four (4) members:

(1) The director of the department of public safety who serves as the commission's president.

(2) One (1) member appointed annually by the mayor who serves at the pleasure of the mayor.

(3) One (1) member appointed annually by the city-county legislative body who serves at the pleasure of the city-county legislative body.

(4) The sheriff who serves as a nonvoting member of the commission.

(c) The initial members of the commission must be appointed not later than August 1, 2005.

(d) The commission is a public agency for purposes of IC 5-14-1.5 and IC 5-14-3.

Sec. 22. (a) Before January 1, 2006, the commission shall undertake the following:

(1) Approve a metropolitan law enforcement agency transition plan to integrate the law enforcement functions and personnel of:

(A) the sheriff's department;

(B) the police department of the consolidated city; and

(C) the officers providing law enforcement services for the airport authority;

into the metropolitan law enforcement agency.

(2) Approve the following for the metropolitan law enforcement agency:

(A) The management and organizational structure of the agency.

(B) A system of regulations and orders for the agency.

(C) The agency's patrol areas.

(D) The agency's patrol levels.

(E) The agency's investigative units and special details.

(3) Serve on the transition advisory board established by section 24 of this chapter and approve the items listed in that section.

(4) Exercise all powers necessary, convenient, or appropriate to perform:

(A) the duties listed in subdivisions (1) through (3); or

(B) any other duties necessary to complete the transition to the metropolitan law enforcement agency by January 1, 2006.

Sec. 23. (a) After December 31, 2005, the commission has the following powers and duties:

(1) Serve as a permanent oversight body for the metropolitan law enforcement agency.

(2) Approve large procurements for the metropolitan law enforcement agency.

(3) Approve the chief of the metropolitan law enforcement agency appointed by the sheriff under section 29 of this chapter.

(4) Approve the initiation and implementation of resource allocation studies for the metropolitan law enforcement agency.

(5) Consult with:

(A) the sheriff; and

(B) the chief of the metropolitan law enforcement agency;

concerning the creation and operation of an internal affairs division for the metropolitan law enforcement agency.

(6) Exercise all powers necessary, convenient, or appropriate to:

(A) perform the duties listed in subdivisions (1) through (5);

(B) provide oversight for the metropolitan law enforcement agency.

(b) In addition to the powers and duties under subsection (a), the commission may do the following:

(1) For any matter relating to the operation of the metropolitan law enforcement agency:

(A) hold public meetings or public hearings; and

(B) make recommendations.

(2) Review and comment on any regulation or order promulgated by the sheriff concerning the metropolitan law enforcement agency.

Sec. 24. (a) The transition advisory board is established.

(b) The transition advisory board consists of the following members:

(1) The members of the commission who serve as ex officio members of the advisory board.

(2) Other members as determined and appointed by the sheriff.

(c) The members of the transition advisory board must be appointed not later than September 1, 2005.

(d) Before January 1, 2006, the sheriff must consult with the transition advisory board and determine the following for the metropolitan law enforcement agency:

(1) The design and color of the agency's uniforms.

(2) The design and color of vehicle markings for all vehicles used by the agency.

(3) The standard equipment issued to members of the agency.

(4) The official name of the agency.

(e) The sheriff's determinations under subsection (d) are subject to the approval of the commission.

Sec. 25. (a) The sheriff may appoint a prison matron for the county. The sheriff sets the qualifications for the position. Except as provided in subsection (b), the sheriff has complete hiring authority over the position of prison matron.

(b) A person who is a member of the metropolitan law enforcement agency immediately before being appointed as prison matron is entitled to the discipline and removal procedures under section 34 of this chapter before:

(1) being reduced in grade to a rank below the rank that the person held before being appointed as prison matron; or

(2) removal from the department.

(c) The sheriff may employ assistant prison matrons, if necessary.

(d) The prison matron and the assistant prison matrons, if any, receive, search, and care for all:

(1) female prisoners; and

(2) boys less than fourteen (14) years of age;

who are committed to or detained in the county jail, municipal lockup, or other detention center in the county.

(e) The prison matron and assistant matrons:

(1) are members of the department;

(2) have the powers and duties of members of the department; and

(3) are entitled to the same salary that other members of the department of the same rank, grade, or position are paid.

Sec. 26. (a) Except as provided in subsection (b), the sheriff has complete hiring authority over the position of chief deputy.

(b) A chief deputy who was a member of the metropolitan law enforcement agency immediately before being hired as chief deputy is entitled to the discipline and removal procedures under section 34 of this chapter before:

(1) being reduced in grade to a rank below the rank that the person held before being hired as chief deputy; or

(2) removal from the department.

Sec. 27. (a) A sheriff may appoint additional deputy sheriffs or assistants if an emergency arises that requires them for:

(1) promoting public safety and conserving the peace;

(2) repressing, preventing, and detecting crime; and

(3) apprehending criminals.

(b) The mayor shall determine the number and salaries of deputy sheriffs or assistants to be appointed in an emergency. The mayor shall provide compensation and necessary expenses for deputy sheriffs or assistants from the general fund of the county without a specific appropriation. Expenses shall be paid after the appointed persons file sworn vouchers with the mayor detailing their expenses.

(c) The deputies or assistants have the same powers that sheriffs have under statute.

(d) When the emergency ends, the mayor may reduce the number of deputy sheriffs or assistants to the number that the circumstances require for the public welfare.

Sec. 28. (a) If a person who is a member of the metropolitan law enforcement agency becomes sheriff, either by election or by

appointment, upon the expiration of the person's term as sheriff and upon the person's written application, the board shall appoint the person to the rank in the agency that the person held at the time of the person's election or appointment as sheriff, if there is a vacancy in the agency.

(b) If the person, during the person's tenure as sheriff, has qualified, in accordance with the promotion procedure prescribed by the board in its rules, for a rank in the agency that is higher than the rank the person held before election or appointment as sheriff, the board shall, upon the expiration of the person's term as sheriff, appoint the person to the rank for which the person has qualified under the promotion procedure, if there is a vacancy in that rank.

Sec. 29. (a) Subject to the approval of the commission, the sheriff shall appoint the chief of the metropolitan law enforcement agency who serves at the pleasure of the sheriff.

(b) To qualify for appointment, the chief must meet the requirements under IC 36-8-4-6.5.

(c) If a person was a member of the metropolitan law enforcement agency before the person's appointment as the chief of the metropolitan law enforcement agency, upon the expiration of the person's term as chief and the person's written application, the board shall appoint the person to the rank in the agency that the person held at the time of the person's appointment as chief, if there is a vacancy in the agency.

(d) If the person, during the person's tenure as chief, has qualified, in accordance with the promotion procedure prescribed by the board in its rules, for a rank in the agency that is higher than the rank the person held before the person's appointment as chief, the board shall, upon the expiration of the person's term as the chief, appoint the person to the rank for which the person has qualified under the promotion procedure, if there is a vacancy in that rank.

Sec. 30. (a) Each member of the metropolitan law enforcement agency has:

(1) the powers set forth in IC 36-8-3-6; and

(2) the powers set forth in IC 36-8-10-9 that are not set forth in IC 36-8-3-6.

(b) A person who:

(1) refuses to be photographed;

(2) refuses to be fingerprinted;

(3) withholds information; or

(4) gives false information;

as prescribed in IC 36-8-10-9(a)(9), commits a Class C misdemeanor.

(c) Members of the department who are not members of the metropolitan law enforcement agency have the powers:

(1) prescribed by the sheriff; or

(2) as set forth in this chapter.

Sec. 31. (a) Except for:

(1) the chief deputy;

(2) the prison matron; and

(3) temporary administrative ranks or positions established and appointed by the sheriff;

the sheriff, with the approval of the commission, shall establish a classification of ranks, grades, and positions for members of the metropolitan law enforcement agency.

(b) For each rank, grade, and position, the sheriff, with the approval of the board, shall:

(1) set reasonable standards of qualifications; and

(2) fix the prerequisites of:

(A) training;

(B) education; and

(C) experience.

(c) The sheriff, with the approval of the board, shall devise and administer examinations designed to test applicants for the qualifications required for the respective ranks, grades, or positions. After these examinations, the sheriff and the board shall jointly prepare a list naming only those applicants who, in the opinion of both the sheriff and the board, best meet the prescribed standards and prerequisites. The sheriff only appoints members of the metropolitan law enforcement agency from among the persons whose names appear on this list. All members appointed to the metropolitan law enforcement agency under this chapter are on probation for one (1) year after the date of appointment.

(d) The sheriff, in the sheriff's sole discretion, may:

(1) establish a temporary administrative rank or position within the agency; and

(2) appoint to and remove from a temporary administrative rank or position a member of the metropolitan law enforcement agency who meets the requirements in subsection (e).

(e) Except as provided by section 16 of this chapter, a member who has served as a member of the agency at least five (5) years before the appointment and holds the merit rank of at least lieutenant is eligible for appointment to a temporary administrative rank or position described in subsection (d). A member retains the rank, grade, or position awarded under subsection (c) while serving in a temporary administrative rank or position. A temporary administrative rank or position established under subsection (d) does not diminish or reduce the number and classifications of the existing merit ranks within the metropolitan law enforcement agency. Subsection (d) and this subsection may not be construed to limit, modify, annul, or otherwise affect a collective bargaining agreement.

(f) The sheriff, with the approval of the board, shall establish written rules and regulations governing the discipline of members of the metropolitan law enforcement agency. Rules and regulations established by a sheriff under this subsection must conform to the disciplinary procedure required by section 34 of this chapter.

Sec. 32. (a) Except as provided in subsection (b), the board shall give a preference for employment according to the following priority:

(1) A war veteran who has been honorably discharged from the United States armed forces.

(2) A person whose mother or father was a:

(A) firefighter of a unit;

(B) municipal police officer;

(C) county police officer; or

(D) member of the metropolitan law enforcement agency;

who died in the line of duty (as defined in IC 5-10-10-2).

(b) A person described in subsection (a) may not receive a preference for employment unless the person:

(1) applies; and

(2) meets all employment requirements prescribed by:

(A) law, including physical and age requirements; and

(B) the metropolitan law enforcement agency.

Sec. 33. (a) The sheriff may appoint as a special deputy any person who is employed by:

(1) a governmental entity (as defined in IC 35-41-1); or

(2) a private employer;

if the nature of the employment necessitates that the person have the powers of a law enforcement officer.

(b) During the term of a special deputy's appointment and while the special deputy is fulfilling the specific responsibilities for which the appointment is made, a special deputy has the powers, privileges, and duties of a member of the metropolitan law enforcement agency under this chapter, subject to any written limitations and specific requirements imposed by the sheriff and signed by the special deputy.

(c) A special deputy is subject to the direction of the sheriff and shall obey the rules and orders of the department.

(d) A special deputy may be removed by the sheriff at any time, without the sheriff providing notice or assigning any cause.

(e) The sheriff shall fix the prerequisites of training, education, and experience for special deputies, subject to the minimum requirements prescribed by this subsection. Applicants must:

(1) be at least twenty-one (21) years of age;

(2) never have been convicted of:

(A) a felony; or

(B) a misdemeanor involving moral turpitude;

(3) be of good moral character; and

(4) have sufficient training to insure the proper performance of their authorized duties.

(f) Except as provided in subsection (g), a special deputy shall wear a uniform the design and color of which is easily

distinguishable from the uniforms of the Indiana state police, the metropolitan law enforcement agency, and all municipal police and fire forces located in the county.

(g) The sheriff may permit a special deputy to wear the uniform of the metropolitan law enforcement agency if the special deputy:

(1) has successfully completed the minimum basic training requirements under IC 5-2-1;

(2) is periodically assigned by the sheriff to duties of a member of the metropolitan law enforcement agency; and

(3) is an employee of the metropolitan law enforcement agency.

The sheriff may revoke permission for the special deputy to wear the uniform of the metropolitan law enforcement agency at any time without cause or notice.

(h) The sheriff may also appoint one (1) legal deputy, who must be a member of the Indiana bar. The legal deputy does not have police powers. The legal deputy may continue to practice law. Neither the legal deputy nor any attorney in partnership with the legal deputy may represent a defendant in a criminal case.

(i) The sheriff, for the purpose of guarding prisoners in the county jail, shall appoint only special deputies to serve as county jail guards. This subsection does not affect the rights or liabilities accrued by any county police officer assigned to guard the jail before August 31, 1982.

Sec. 34. (a) The sheriff may dismiss, demote, or temporarily suspend a member of the metropolitan law enforcement agency for cause after giving the member written notice of the charges and after a fair public hearing before the board. The decision of the board is reviewable in the superior court of the county. Written notice of the charges and hearing must be delivered by certified mail to the member to be disciplined at least fourteen (14) days before the date set for the hearing. The member may be represented by counsel. The board shall make specific findings of fact in writing to support its decision.

(b) The sheriff may temporarily suspend a member with or without pay for a period not to exceed fifteen (15) days without a hearing before the board. Before suspending a member under this subsection, the sheriff shall give the member written notice of the charges of misconduct.

(c) A member of the metropolitan law enforcement agency may not be dismissed, demoted, or temporarily suspended because of political affiliation nor after the member's probationary period, except as provided in this section.

(d) A member of the metropolitan law enforcement agency may:

(1) be a candidate for elective office and serve in that office if elected;

(2) be appointed to an office and serve in that office if appointed; and

(3) except when in uniform or on duty, solicit votes or campaign funds for the member or others.

(e) A member on probation may be dismissed by the sheriff without the right to a hearing.

(f) The board has subpoena powers enforceable by the superior court of the county for hearings under this section.

(g) An appeal under subsection (a) is taken by filing in court, not later than thirty (30) days after the date the decision is rendered, a verified complaint stating in a concise manner the general nature of the charges against the member of the metropolitan law enforcement agency, the decision of the board, and a demand for the relief asserted by the member.

(h) The member must also file a bond that:

(1) guarantees the appeal will be prosecuted to a final determination; and

(2) the plaintiff will pay all costs only if the court finds that the board's decision should be affirmed.

The bond must be approved as bonds for costs are approved in other cases.

(i) The county must be named as the sole defendant and the plaintiff shall have a summons issued as in other cases against the county. The:

(1) board;

(2) members of the board individually;

(3) commission; or

(4) members of the commission individually;

are not parties defendant to the complaint, but all are bound by service upon the county and the judgment rendered by the court.

(j) The court tries all appeals. An appeal is heard de novo only if there are new issues related to the charges upon which the board based its decision. Within ten (10) days after the service of summons, the board shall file in court a complete written transcript of the papers, entries, and other parts of the record relating to the case being appealed. The board, if requested to do so, must permit the person affected, or the person's agent, to inspect these documents before the appeal is filed. The court shall review the record and decision of the board on appeal.

(k) The court shall make specific findings and state the conclusions of law upon which its decision is made. If the court finds that the decision of the board should in all respects be affirmed, its judgment should state the court's finding. If the court finds that the decision of the board should not, in all respects, be affirmed, the court shall make a general finding, setting out sufficient facts to show the nature of the proceeding and the court's decision. The court shall either:

(1) reverse the decision of the board; or

(2) order the decision of the board to be modified.

(l) The final judgment of the court may be appealed by either party. Upon the final disposition of the appeal by the courts, the clerk shall certify to the board the final judgment of the court and file a copy of the judgment with the board, which shall conform its decisions and records to the order and judgment of the court. If the decision is reversed or modified, the board shall pay to the prevailing party any salary or wages:

(1) that were withheld from the party pending the appeal; and

(2) to which the party is entitled under the judgment of the court.

(m) Either party is allowed a change of venue from the court or a change of judge in the same manner as those changes are allowed in civil cases. The rules of trial procedure govern in all matters of procedure during the appeal that are not otherwise provided for by this section.

(n) An appeal takes precedence over other pending litigation, and the court shall try and determine the appeal as soon as practical.

Sec. 35. (a) As used in this section, "appointing authority" means the sheriff and the board.

(b) When it is necessary for financial reasons for the appointing authority to reduce by layoff the number of members of the metropolitan law enforcement agency, members are laid off in reverse hiring order, with the last member appointed to the agency being the first to be laid off, until the desired level of employment is achieved.

(c) If the metropolitan law enforcement agency's membership is increased, the members of the agency who have been laid off under subsection (b) are reinstated before any new member is appointed to the agency. Members are reinstated in reverse of the order in which the members were laid off with the last member laid off from the agency being the first to be reinstated.

(d) A member who is laid off shall keep the appointing authority advised of the member's current address. The appointing authority shall inform a member of the member's reinstatement by written notice sent by certified mail to the member's last known address.

(e) Not later than twenty (20) calendar days after the date the notice of reinstatement is sent under subsection (d), the member shall advise the appointing authority whether the member:

(1) accepts reinstatement; and

(2) will commence employment on the date specified in the notice.

(f) All reinstatement rights granted to a member under this section terminate on the earlier of:

(1) the date the member fails to accept reinstatement within the time specified in subsection (e); or

(2) three (3) years after the date on which a member's layoff begins.

Sec. 36. (a) As used in this section, "care" includes:

(1) medical and surgical care;
(2) medicines and laboratory, curative, and palliative agents and means;
(3) X-ray, diagnostic, and therapeutic service, including service during the recovery period; and
(4) hospital and special nursing care if the physician or surgeon in charge considers it necessary for proper recovery.

(b) After deducting expenditures paid by an insurance or worker's compensation program, the county shall pay for the care of the following persons:
(1) A member of the metropolitan law enforcement agency who:
(A) suffers an injury; or
(B) contracts an illness;
while the member is on duty or while the member is off duty and is responding to an offense or a reported offense.
(2) A jail employee who:
(A) suffers an injury; or
(B) contracts an illness;
while the employee is on duty.

(c) The county shall pay the expenditures required by subsection (b) from the general fund of the county.

Sec. 37. (a) This section does not apply to a member of the metropolitan law enforcement agency who is appointed after December 31, 2005.

(b) Before January 1, 2006, the department shall amend the pension trust established and operated under IC 36-8-10-12 to provide that, effective January 1, 2006, the pension trust is operated under this chapter. The department and the trustee may not modify the pension trust under this section without the approval of the city-county legislative body, which shall not reduce or diminish the benefits of the employee beneficiaries set forth in the pension trust.

(c) After December 31, 2005, the department and the trustee shall continue to operate in an actuarially sound manner the pension trust for the exclusive benefit of the employee beneficiaries.

Sec. 38. (a) The normal retirement age for an employee beneficiary may not be later than seventy (70) years of age.

(b) The sheriff may retire an employee beneficiary who is otherwise eligible for retirement if the board finds that the employee beneficiary is not physically or mentally capable of performing the employee beneficiary's duties.

(c) Contributions to the trust fund are made by:
(1) the department through:
(A) a general appropriation provided to the department;
(B) a line item appropriation directly to the trust fund; or
(C) both; and
(2) an employee beneficiary through authorized monthly deductions from the employee beneficiary's salary or wages. The department may pay all or a part of the contribution for the employee beneficiary.

Contributions through an appropriation are not required for modifications adopted after June 30, 1989, unless the modification is approved by the city-county legislative body.

(d) The monthly deductions from an employee beneficiary's wages for the trust fund may not exceed seven percent (7%) of the employee beneficiary's average monthly wages.

(e) The department's minimum annual contribution must be sufficient, as determined by the pension engineers, so that the actuarial status of the trust fund does not deteriorate during that year. If the minimum contributions are not made for three (3) successive years, the pension trust terminates and the trust fund is liquidated.

(f) If all expenses of the pension trust are paid during liquidation, adequate provision must be made for continuing pension payments to retired employee beneficiaries. Each employee beneficiary is entitled to receive the net amount paid into the trust fund from the employee beneficiary's wages. Any remaining amount must be equitably divided among employee beneficiaries in proportion to the net amount each employee beneficiary paid into the trust fund from the employee beneficiary's wages.

(g) If a person is no longer an employee beneficiary because the person dies, becomes disabled, leaves employment with the department before retirement, retires, or is no longer an employee beneficiary for any other reason:
(1) the person;
(2) the person's beneficiary; or
(3) the person's estate;
is entitled to receive at least the net amount paid into the trust fund from the person's wages, either in a lump sum or in monthly installments not less than the amount the person is entitled to receive as a pension.

(h) If an employee beneficiary reaches the normal retirement age for the employee beneficiary, the employee beneficiary is entitled to receive during the employee beneficiary's lifetime a pension in a monthly amount calculated under subsections (i) through (m).

(i) To receive an unreduced pension amount, an employee beneficiary must have contributed at least twenty (20) years of service to the department before retirement. If the employee beneficiary's service to the department is less than twenty (20) years, the employee beneficiary is entitled to receive a pension proportional to the length of the employee beneficiary's service.

(j) For an employee beneficiary who retired before January 1, 1985, a monthly pension may not exceed by more than twenty dollars ($20) one-half (½) the amount of the average monthly wage received by the employee beneficiary during the highest paid five (5) years before retirement.

(k) For an employee beneficiary who retires after December 31, 1984, the monthly pension described in subsection (j) may be increased by two percent (2%) of the employee beneficiary's average monthly wage for each year of service over twenty (20) years contributed by the employee beneficiary to a maximum of seventy-four percent (74%) of the employee beneficiary's average monthly wage plus twenty dollars ($20).

(l) For purposes of determining the amount of an increase in the monthly pension under subsection (k) approved by the city-county legislative body for an employee beneficiary who retires after December 31, 1984, the city-county legislative body may determine that the employee beneficiary's years of service include the years of service with the department that occurred before the effective date of the pension trust.

(m) For an employee beneficiary who retires after June 30, 1996, the average monthly wage used to determine the employee beneficiary's pension benefits may not exceed the monthly minimum salary paid by the state to a full-time prosecuting attorney at the time the employee beneficiary retires.

(n) For an employee beneficiary who retires after June 30, 1997, an employee beneficiary's monthly pension may not exceed twenty dollars ($20) plus one-half (½) the amount of the average monthly wage. As used in this subsection, "average monthly wage" means the lesser of:
(1) the average monthly wage received by the employee beneficiary during the highest paid three (3) years before retirement; or
(2) the monthly minimum salary that a full-time prosecuting attorney is entitled to be paid by the state at the time the employee beneficiary retires.

(o) For an employee beneficiary who retires after June 30, 1997, the county fiscal body may approve an increase in the maximum monthly pension described in subsection (n). The maximum monthly pension may:
(1) be increased by one percent (1%) of the average monthly wage for each six (6) months of service after twenty (20) years; and
(2) not exceed seventy-four percent (74%) of the average monthly wage plus twenty dollars ($20).

(p) The trust fund may not be commingled with other funds, except as provided in this chapter, and may be invested only in accordance with statutes for investment of trust funds, including other investments that are specifically designated in the trust agreement.

(q) The trustee receives and holds as trustee all money paid to it as trustee by the department, the employee beneficiaries, or by other persons for the uses stated in the trust agreement.

(r) The trustee shall engage pension engineers to supervise and assist in the technical operation of the pension trust in order that there is no deterioration in the actuarial status of the trust fund.

(s) Not later than ninety (90) days after the close of each fiscal year, the trustee, with the aid of the pension engineers, shall prepare and file an annual report with the department and the state insurance department. The report must include the following:

(1) Schedule 1. Receipts and disbursements.

(2) Schedule 2. Assets of the pension trust listing investments by book value and current market value as of the end of the fiscal year.

(3) Schedule 3. List of terminations, showing the cause and amount of refund.

(4) Schedule 4. The application of actuarially computed "reserve factors" to the payroll data properly classified for the purpose of computing the reserve liability of the trust fund as of the end of the fiscal year.

(5) Schedule 5. The application of actuarially computed "current liability factors" to the payroll data properly classified for the purpose of computing the liability of the trust fund as of the end of the fiscal year.

(t) No part of the corpus or income of the trust fund may be used or diverted to any purpose other than the exclusive benefit of the members and the beneficiaries of the members.

Sec. 39. This section applies to a sheriff who is an eligible employee under this chapter and is not a member of the 1977 fund. The sheriff may participate in the pension trust in the same manner as a county police officer who is an eligible employee under this chapter. In addition, a sheriff who does not participate in the pension trust may make a payment to the pension trust equal to the total contributions the sheriff would have paid had the sheriff been participating in the pension trust while a sheriff, plus interest at three percent (3%) compounded annually. A sheriff who makes this payment is entitled to credit for the years of service as sheriff for all purposes of the pension trust.

Sec. 40. (a) The department may establish and operate a death benefit program for the payment of death benefits to deceased employee beneficiaries. The department may provide these benefits by:

(1) creating a reserve account;

(2) obtaining group life insurance; or

(3) both subdivisions (1) and (2).

The department may not establish or modify a death benefit program without the approval of the city-county legislative body.

(b) Benefits payable under a group life insurance policy established under subsection (a) must be in reasonable amounts. Benefits payable from a reserve account established under subsection (a) may not exceed twenty-five thousand dollars ($25,000).

Sec. 41. (a) The department may establish and operate a disability benefit program for the payment of disability expense reimbursement and pensions to disabled employee beneficiaries. The department may provide these benefits by:

(1) creating a reserve account;

(2) obtaining disability insurance coverage; or

(3) both subdivisions (1) and (2).

The department may not establish or modify a disability benefit program without the approval of the city-county legislative body.

(b) Benefits payable as a result of line of duty activities, including a disability presumed incurred in the line of duty under IC 5-10-13, must be in reasonable amounts. Monthly benefits payable as a result of other activities may not exceed the amount of the pension to which the employee beneficiary would have been entitled had the employee beneficiary been employed by the department until normal retirement age.

Sec. 42. (a) The department may establish and operate a dependent's pension benefit for the payment of pensions to dependent parents, surviving spouses, and dependent children less than eighteen (18) years of age of former employee beneficiaries. The department may provide these benefits by:

(1) creating a reserve account;

(2) obtaining appropriate insurance coverage; or

(3) both subdivisions (1) and (2).

The department may not establish or modify a dependent's pension benefit without the approval of the city-county legislative body, which shall not reduce or diminish any dependent's pension benefits that were in effect on January 1, 1989.

(b) This subsection applies to survivors of employee beneficiaries who:

(1) died before January 1, 1990; and

(2) were covered by a dependent's pension benefit plan.

The maximum monthly pension payable to dependent parents or surviving spouses may not exceed two hundred dollars ($200) per month during the parent's or the spouse's lifetime if the spouse did not remarry before September 1, 1984. If the surviving spouse remarried before September 1, 1984, benefits ceased on the date of remarriage. The maximum monthly pension payable to dependent children is thirty dollars ($30) per child and ceases with the last payment before the child becomes eighteen (18) years of age. The county fiscal body may by ordinance provide an increase in the monthly pension of survivors, but the monthly pension that is provided under this subsection may not exceed the monthly pension that is provided to survivors whose monthly pensions are determined under subsection (c).

(c) This subsection applies to survivors of employee beneficiaries who:

(1) died after December 31, 1989; and

(2) were covered by a dependent's pension benefit plan.

The monthly pension payable to dependent parents or surviving spouses must be at least two hundred dollars ($200) for each month during the parent's or the spouse's lifetime or until the spouse remarries. The monthly pension payable to each dependent child must be at least thirty dollars ($30) for each child and ceases with the last payment made in the month before the child becomes eighteen (18) years of age.

(d) To be eligible for a benefit under this section, the surviving spouse of an employee beneficiary who dies after August 31, 1984, must have been married to the employee beneficiary at the time of the employee beneficiary's retirement or death in service.

Sec. 43. (a) The city-county legislative body may provide to eligible retired employee beneficiaries or eligible disabled employee beneficiaries, or both:

(1) an annual cost of living payment; or

(2) an ad hoc cost of living payment. The amount of the ad hoc cost of living payment under this subdivision is not an increase in the base pension benefit calculated under section 38 of this chapter.

(b) In the case of an annual cost of living payment granted under subsection (a)(1), the pension engineers shall determine each year the amount of the payment under this subsection. The pension engineers shall determine if there has been an increase in the Consumer Price Index (United States city average) prepared by the United States Department of Labor by comparing the arithmetic mean of the Consumer Price Index for January, February, and March of the payment year with the same three (3) month period of the preceding year. If there has been an increase, the increase is stated as a percentage of the arithmetic mean for the three (3) month period for the year preceding the payment year (the adjustment percentage). The adjustment percentage is rounded to the nearest one-tenth of one percent (0.1%) and may not exceed three percent (3%).

(c) In the case of a cost of living payment granted under subsection (a)(2), the amount of the cost of living payment is determined by the city-county legislative body and may be:

(1) a percentage increase, not to exceed the percentage determined under subsection (b); or

(2) a fixed dollar amount.

(d) A payment authorized under this section is made to each authorized retired or disabled employee beneficiary and may be made annually, semiannually, quarterly, or monthly.

(e) A cost of living payment granted under this section must be funded by a direct appropriation or by maintaining a fully funded actuarially sound trust fund.

(f) A cost of living payment granted under this section is applicable only to retired or disabled employee beneficiaries who are at least fifty-five (55) years of age.

(g) No provision of this section may be part of an ordinance or

agreement concerning collective bargaining. No provision of this section may be subject to bargaining under any statute, ordinance, or agreement.

Sec. 44. (a) As used in this section, "dies in the line of duty" has the meaning set forth in IC 5-10-10-2.

(b) This section applies to the survivors of an eligible employee who dies in the line of duty.

(c) The department shall offer to provide and pay for health insurance coverage for the eligible employee's surviving spouse and for each natural child, stepchild, or adopted child of the eligible employee:

(1) until the child becomes eighteen (18) years of age;

(2) until the child becomes twenty-three (23) years of age, if the child is enrolled in and regularly attending a secondary school or is a full-time student at an accredited college or university; or

(3) during the entire period of the child's physical or mental disability;

whichever period is longest. If health insurance coverage is offered by the county to an eligible employee, the health insurance provided to a surviving spouse or child under this subsection must be equal in coverage to that offered to an eligible employee. The offer to provide and pay for health insurance coverage must remain open for as long as there is a surviving spouse or as long as a natural child, a stepchild, or an adopted child of the eligible employee is eligible for coverage under subdivision (1), (2), or (3).

Sec. 45. (a) The death benefit, the disability benefit, and the dependents' pension may be operated as one (1) fund, known as the police benefit fund, under the terms of a supplementary trust agreement between the department and the trustee for the exclusive benefit of employee beneficiaries and their dependents.

(b) The trustee receives and holds as trustee for the uses and purposes set out in the supplementary trust agreement all money paid to it as trustee by the department or by other persons.

(c) The trustee may, under the terms of the supplementary trust agreement, pay the necessary premiums for insurance, pay benefits, or pay both as provided by this chapter.

(d) The trustee shall hold, invest, and reinvest the police benefit fund in investments that are permitted by statute for the investment of trust funds and other investments that are specifically designated in the supplementary trust agreement.

(e) Within ninety (90) days after the close of the fiscal year, the trustee, with the assistance of the pension engineers, shall prepare and file with the department and the state insurance department a detailed annual report showing receipts, disbursements, and case histories, and making recommendations regarding the necessary contributions required to keep the program in operation. Contributions by:

(1) the county police force before January 1, 2006; and

(2) the metropolitan law enforcement agency after December 31, 2005;

are provided in the general appropriations to the department. However, these contributions are not required for modifications made after January 1, 1989, unless the modifications were approved by the city-county legislative body.

Sec. 46. (a) A person entitled to an interest in or a share of a pension or benefit from the trust funds may not, before the actual payment:

(1) anticipate;

(2) sell;

(3) assign;

(4) pledge;

(5) mortgage; or

(6) otherwise dispose of or encumber;

the person's interest or share.

(b) In addition, a person's interest, share, pension, or benefit is not, before the actual payment:

(1) liable for the debts or liabilities of the person;

(2) subject to attachment, garnishment, levy, or sale on judicial proceedings; or

(3) transferable, voluntarily or involuntarily.

(c) The trustee may expend the sums from the funds that the trustee considers proper for necessary expenses.

Sec. 47. (a) The state examiner of the state board of accounts shall fix the exact amount per meal that the sheriff receives for feeding the prisoners in the sheriff's custody. Subject to the maximum meal allowance provided in this section, the state examiner shall increase the amount per meal that the sheriff receives as follows:

(1) Increase the amount per meal by a percentage that does not exceed the percent of increase in the United States Department of Labor Consumer Price Index during the year preceding the year in which an increase is established.

(2) Increase the amount per meal above the amount determined under subdivision (1) if the sheriff furnishes to the state examiner sufficient documentation to prove that the sheriff cannot provide meals at the amount per meal that is determined under subdivision (1).

The amount must be fixed by April 15 each year and takes effect immediately upon approval. The allowance may not exceed two dollars ($2) per person per meal. The allowance shall be paid out of the general fund of the county after the sheriff submits to the mayor an itemized statement, under oath, showing the names of the prisoners, the date that each was imprisoned in the county jail, and the number of meals served to each prisoner.

(b) Notwithstanding subsection (a), IC 36-2-13-2.5(b)(4) through IC 36-2-13-2.5(b)(5), and IC 36-2-13-2.8(b), the county shall pay to feed the county prisoners through an appropriation in the usual manner by the city-county legislative body. The appropriation shall be expended by the sheriff under the direction of the mayor. Neither the sheriff nor the sheriff's officers, deputies, or employees may make a profit as a result of the appropriation.

Sec. 48. (a) A jail commissary fund is established, referred to in this section as "the fund". The fund is separate from the general fund, and money in the fund does not revert to the general fund.

(b) The sheriff, or the sheriff's designee, shall deposit all money from commissary sales into the fund, which the sheriff shall keep in a depository designated under IC 5-13-8.

(c) The sheriff, or the sheriff's designee, at the sheriff's discretion and without appropriation by the city-county legislative body, may disburse money from the fund for:

(1) merchandise for resale to inmates through the commissary;

(2) expenses of operating the commissary, including, but not limited to, facilities and personnel;

(3) special training in law enforcement for employees of the department;

(4) equipment installed in the county jail;

(5) equipment, including vehicles and computers, computer software, communication devices, office machinery and furnishings, cameras and photographic equipment, animals, animal training, holding and feeding equipment and supplies, or attire used by a member of the metropolitan law enforcement agency in the course of the member's official duties;

(6) an activity provided to maintain order and discipline among the inmates of the county jail;

(7) an activity or program of the department intended to reduce or prevent occurrences of criminal activity, including the following:

(A) substance abuse;

(B) child abuse;

(C) domestic violence;

(D) drinking and driving; and

(E) juvenile delinquency;

(8) expenses related to the establishment, operation, or maintenance of the sex offender web site under IC 36-2-13-5.5; or

(9) any other purpose that benefits the department that is mutually agreed upon by the city-county legislative body and the sheriff.

Money disbursed from the fund under this subsection must be supplemental or in addition to, rather than a replacement for, regular appropriations made to carry out the purposes listed in subdivisions (1) through (8).

(d) The sheriff shall maintain a record of the fund's receipts and disbursements. The state board of accounts shall prescribe the form for this record. The sheriff shall semiannually provide a copy of this record of receipts and disbursements to the city-county legislative body. The semiannual reports are due on July 1 and December 31 of each year.

Sec. 49. (a) The sheriff shall hold in trust separately for each inmate any money received from that inmate or from another person on behalf of that inmate.

(b) If the inmate or the inmate's legal guardian requests a disbursement from the inmate's trust fund, the sheriff may make a disbursement for the personal benefit of the inmate, including a disbursement to the county jail commissary.

(c) Upon discharge or release of an inmate from the county jail, the sheriff shall pay to that inmate or the inmate's legal guardian any balance remaining in the inmate's trust fund.

(d) If an inmate is found guilty of intentionally destroying or losing county property after a hearing conducted under IC 11-11-5-5, the sheriff may disburse from the inmate's trust fund or commissary account sums of money as reimbursement to the county for the inmate's intentional destruction or loss of county property, including but not limited to clothing, bedding, and other nondisposable items issued by the county to the inmate. Before disbursing money under this subsection, the sheriff shall adopt rules to administer this procedure.

(e) The sheriff shall maintain a record of each trust fund's receipts and disbursements. The state board of accounts shall prescribe the form for this record.

SECTION 242. IC 36-8-13-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 1. This chapter applies to all townships, **except townships located in a county having a consolidated city.**

SECTION 243. IC 36-8-19-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 1. **Except as provided in section 1.5 of this chapter,** this chapter applies to any geographic area that is established as a fire protection territory.

SECTION 244. IC 36-8-19-1.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: **Sec. 1.5. (a) After December 31, 2005, in a county having a consolidated city, only:**

(1) a consolidated city; or

(2) an excluded city;

may establish fire protection territory under this chapter.

(b) A fire protection territory that is established before January 1, 2006, by a unit that is consolidated under IC 36-3-1-6.1 becomes part of the geographic area in which the fire department of a consolidated city provides fire protection services.

SECTION 245. IC 36-9-11.1-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: Sec. 11. (a) All property of every kind, including air rights, acquired for off-street parking purposes, and all its funds and receipts, are exempt from taxation for all purposes. When any real property is acquired by the consolidated city, the county auditor shall, upon certification of that fact by the board, cancel all taxes then a lien. The certificate of the board must specifically describe the real property, including air rights, and the purpose for which acquired.

(b) A lessee of the city may not be assessed any tax upon any land, air rights, or improvements leased from the city, but the separate leasehold interest has the same status as leases on taxable real property, notwithstanding any other law. Whenever the city sells any such property to anyone for private use, the property becomes liable for all taxes after that, as other property is so liable and is assessed, and the board shall report all such sales to the ~~township~~ **county** assessor, who shall cause the property to be upon the proper tax records.

SECTION 246. IC 36-9-17.5-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 1. **(a) Except as provided in subsection (b),** this chapter applies to ~~all townships.~~ **a township.**

(b) This chapter does not apply to a township or township district in a county having a consolidated city.

SECTION 247. IC 36-10-7-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. **(a) Except as provided in subsection (b),** this chapter applies to the townships indicated in each section.

(b) After December 31, 2005:

(1) this chapter does not apply to a township in a county having a consolidated city; and

(2) all powers and duties related to parks and recreation of the townships in a county having a consolidated city are transferred to the consolidated city.

SECTION 248. IC 36-10-7.5-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. **(a) Except as provided in subsection (b),** this chapter applies to ~~all townships.~~ **a township.**

(b) After December 31, 2005:

(1) this chapter does not apply to a township in a county having a consolidated city; and

(2) all powers and duties related to parks and recreation of the townships in a county having a consolidated city are transferred to the consolidated city.

SECTION 249. THE FOLLOWING ARE REPEALED [EFFECTIVE JULY 1, 2005]: IC 3-11-1.5-32.5; IC 33-34; IC 36-6-6-2.5.

SECTION 250. THE FOLLOWING ARE REPEALED [EFFECTIVE JANUARY 1, 2006]: IC 36-8-4.3; IC 36-8-7.5-3; IC 36-8-7.5-6; IC 36-8-7.5-7; IC 36-8-7.5-11.

SECTION 251. [EFFECTIVE JULY 1, 2005] **The general assembly finds the following:**

(1) A consolidated city faces unique budget challenges due to a high demand for services combined with the large number of tax exempt properties located in a consolidated city as the seat of state government, home to several institutions of higher education, and home to numerous national, state, and regional nonprofit corporations.

(2) By virtue of its size and population density, a consolidated city has unique overlapping territories of county, city, and township government and an absence of unincorporated areas within its county.

(3) By virtue of its size, population, and absence of unincorporated areas, development extends to and across the boundaries of the contiguous governmental territories located within a county having a consolidated city, thus giving less meaning to boundaries of the governmental territories located within the county.

(4) By virtue of its size, population, absence of unincorporated areas, overlapping territories, and development to and across the boundaries of contiguous governmental territories, there is less need for differentiation of local governmental services within the separate governmental territories located within a county having a consolidated city, but rather the local governmental service needs are similar and more uniform within and across a county having a consolidated city.

(5) The provision of local governmental services by multiple governmental entities with overlapping territories, and by governmental entities with contiguous territories with less meaningful boundaries, results in disparate levels of local government services within a county having a consolidated city and results in the inefficient and poor use of taxpayer dollars.

(6) As the state capital and a center for professional sporting events, tourism, and culture in central Indiana, the consolidated city faces unique demands for protecting governmental property and securing the safety of large numbers of residents and visitors, which require innovative approaches to public safety resources.

(7) If public safety resources are consolidated, residual services provided by townships are limited and can more effectively and uniformly be performed through consolidation at the city or county level.

(8) By virtue of its size and population patterns, township assistance needs in a consolidated city are greatest in its urban center and differ from the township assistance needs outside the urban center, and the lesser township assistance services outside the urban center can be more effectively

and uniformly delivered through a consolidated district.

(9) By virtue of its size and population, a consolidated city has a larger number of public safety employees than other municipalities resulting in more significant pension obligations, and through consolidation of public safety resources, there is greater need for coordinated fiscal oversight of pension funding.

(10) Substantial operational efficiencies, reduction of administrative costs, and economies of scale may be obtained in a consolidated city through further consolidation of county, city, and township services and operations.

(11) Consolidation of county, city, and township services and operations in the consolidated city will serve the public purpose by allowing the consolidated city to:

(A) eliminate duplicative services;

(B) provide better coordinated and more uniform delivery of local governmental services;

(C) provide uniform oversight and accountability for the budgets for local governmental services;

(D) provide uniform oversight of pension funds for public safety employees;

(E) simplify the system of property taxation;

(F) provide more unified tax rates; and

(G) allow local government services to be provided more efficiently and at a lower cost than without consolidation.

(12) Efficient and fiscally responsible operation of local government benefits the health and welfare of the citizens of a consolidated city and is of public utility and benefit.

(13) The public purpose of this act is to provide a consolidated city with the means to perform essential governmental services for its citizens in an effective, efficient, and fiscally responsible manner.

SECTION 252. [EFFECTIVE JANUARY 1, 2007] **For property taxes first due and payable in 2007, the maximum permissible ad valorem property tax levy under IC 6-1.1-18.5 of a county having a consolidated city is increased by the amount levied in 2006 for assessor and related services by each township in the county.**

SECTION 253. [EFFECTIVE JANUARY 1, 2006] **Each township district shall refer the township district's proposed budget, ad valorem property tax levy, and property tax rate for 2007 to the local government tax control board, which shall review and set the budget, levy, and rate as though the township district is covered by IC 6-1.1-18.5-7. For property taxes first due and payable in 2007, the maximum permissible ad valorem property tax limits and any other limits on ad valorem property taxes set forth in IC 6-1.1-18.5 of:**

(1) a central township district shall be based upon:

(A) the amount levied in 2006 for the general fund;

(B) the amount levied in 2006 for township assistance, including reasonable administrative costs, in the central township district in a county having a consolidated city; plus

(C) thirty-five percent (35%) of the amount levied in 2006 for township assistance, including reasonable administrative costs, by each other township located in the county containing a consolidated city; and

(2) a consolidated township district shall be based upon sixty-five percent (65%) of the amount levied in 2006 for township assistance, including reasonable administrative costs, by each township located in a county having a consolidated city, other than the central township district in a county having a consolidated city.

SECTION 254. [EFFECTIVE JULY 1, 2006] **(a) Any case pending in a township small claims court established by IC 33-34, as repealed by this act, after the close of business on December 31, 2005, is transferred on January 1, 2006, to the corresponding township division of the small claims division of the Marion superior court established by IC 33-33-49-14(c)(5) and IC 33-33-49-14.1, both as added by this act. A case transferred under this SECTION shall be treated as if the case were filed in the corresponding township division of the small claims division of the Marion superior court.**

(b) On January 1, 2006, all property and obligations of a township small claims court established by IC 33-34, as repealed by this act, become the property and obligations of the corresponding township division of the small claims division of the Marion superior court established by IC 33-33-49-14(c)(5) and IC 33-33-49-14.1, both as added by this act.

(c) This SECTION expires January 2, 2006.

SECTION 255. [EFFECTIVE JULY 1, 2006] **(a) Notwithstanding the amendment and repeal by this act of provisions in IC 33-33-49 and IC 33-34, the term of a judge in office in a township small claims court established by IC 33-34, as repealed by this act, does not terminate until the date that the term would have terminated under the law in effect on December 31, 2005. The election for the initial small claims judges to be elected to the township divisions of the small claims division of the Marion superior court under IC 33-33-49-13.1, as added by this act, is the election to be held in the November immediately preceding the date that the corresponding term of the judge in office in a township small claims court established by IC 33-34, as repealed by this act, on December 31, 2005, would have terminated under the law in effect on December 31, 2005.**

(b) Notwithstanding the amendment and repeal by this act of provisions in IC 33-33-49 and IC 33-34, the term of a constable for a township small claims court established by IC 33-34, as repealed by this act, does not terminate until the date that the term would have terminated under the law in effect on December 31, 2005. The election for the initial small claims constables to be elected under IC 33-33-49-14.2, as added by this act, is the election to be held in the November immediately preceding the date that the corresponding term of the constable for a township small claims court established by IC 33-34, as repealed by this act, on December 31, 2005, would have terminated under the law in effect on December 31, 2005.

(c) This SECTION expires January 2, 2011.

SECTION 256. [EFFECTIVE JANUARY 1, 2006] **(a) For property taxes first due and payable in 2007, the maximum permissible ad valorem property tax levy under IC 6-1.1-18.5:**

(1) is increased for a consolidated city by the amount levied in 2006 for fire protection and related services by each:

(A) township;

(B) airport authority;

(C) fire protection territory; or

(D) excluded city;

whose fire department is consolidated into the fire department of a consolidated city under IC 36-3-1-6.1 or IC 36-3-1-6.3; and

(2) is reduced for:

(A) a township;

(B) an airport authority;

(C) a fire protection territory; or

(D) an excluded city;

whose fire department is consolidated into the fire department of a consolidated city under IC 36-3-1-6.1 or IC 36-3-1-6.3 by the amount levied in 2006 for fire protection and related services by each township, airport authority, fire protection territory, or excluded city whose fire department is consolidated into the fire department of a consolidated city under IC 36-3-1-6.1 or IC 36-3-1-6.3.

(b) This SECTION expires January 1, 2007.

SECTION 257. [EFFECTIVE JANUARY 1, 2006] **For property taxes first due and payable in 2007, the amount levied in 2006 by each:**

(1) township;

(2) airport authority;

(3) fire protection territory; or

(4) excluded city;

whose fire department is consolidated into the fire department of a consolidated city under IC 36-3-1-6.1 or IC 36-3-1-6.3, both as added by this act, for its cumulative building and equipment fund for fire protection and related services is transferred to the consolidated city's cumulative building and equipment fund for fire protection and related services, which is hereby established. The consolidated city is exempted from the requirements of IC 36-8-14 and IC 6-1.1-41 regarding establishment of the cumulative building and equipment fund for fire protection and

related services.

SECTION 258. [EFFECTIVE UPON PASSAGE] **The legislative services agency shall prepare legislation for introduction in the 2006 regular session of the general assembly to organize and correct statutes affected by this act, if necessary.**".

Renumber all SECTIONS consecutively.

(Reference is to SB 638 as printed February 11, 2005.)

and when so amended that said bill do pass.

Committee Vote: yeas 9, nays 1.

HINKLE, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Elections and Apportionment, to which was referred Senate Joint Resolution 10, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said resolution be amended as follows:

Page 2, line 6, after "is" insert "**:**

(A) on active military duty or is an employee of the United States government; and

(B)".

(Reference is to SJR 10 as printed February 8, 2005.)

and when so amended that said resolution do pass.

Committee Vote: yeas 11, nays 0.

THOMAS, Chair

Report adopted.

ENGROSSED SENATE BILLS ON SECOND READING

With consent of the members, the following bills were called down by their respective sponsors, were read a second time by title, and, there being no amendments, were ordered engrossed: Engrossed Senate Bills 88, 140, 172, 212, 330, 341, 372, 509, and 598.

Engrossed Senate Bill 66

Representative Becker called down Engrossed Senate Bill 66 for second reading. The bill was read a second time by title.

HOUSE MOTION
(Amendment 66–3)

Mr. Speaker: I move that Engrossed Bill 66 be amended to read as follows:

Page 3, line 41, after "obligation" insert "**under IC 12-16-7.5-1.2**".

Page 3, line 42, delete "person under" and insert "**person.**".

Page 4, delete line 1.

Page 5, line 5, delete "determination" and insert "**determinations**".

Page 6, line 1, delete "resident's" and insert "**individual's**".

Page 8, line 23, after "or" insert "**with**".

Page 9, line 39, delete "at least" and insert "**a period of time, not less than**".

Page 9, line 40, delete "IC 12-16-6.5-1.5 to provide" and insert "**IC 12-16-6.5-1.5, to submit to**".

Page 9, line 41, delete "with".

Page 10, line 2, after "eligible" insert "**without the division's determination**".

Page 10, line 7, after "unable" and insert "**after prompt and diligent efforts**".

Page 10, line 40, after "that" delete "the" and insert "**an**".

Page 11, line 1, before "The" begin a new paragraph and insert: "**(c)**".

Page 11, line 1, delete "time to" and insert "**a period of time, not less than ten (10) days beyond the deadline under IC 12-16-6.5-1.7, to submit to the division**".

Page 11, line 2, delete "provide the division with".

Page 11, line 6, after "IC 12-16-3.5-2(a)(3), or" insert "**was**".

Page 11, delete lines 8 through 9.

Page 11, line 10, delete "IC 12-16-6.5-1.7." and insert "**IC 12-16-3.5-1(a)(3).**".

Page 11, line 13, after "considered" insert "**, without the division's determination,**".

Page 11, line 16, delete "IC 12-16-3.5-2(a)(3), or" and insert "**IC 12-16-3.5-2(a)(3) or to have been**".

Page 11, line 29, delete "TO READ TO READ" and insert "TO READ".

Page 12, line 24, delete "financial and medical".

Page 12, line 27, after "eligible" insert "**without the division's determination**".

Page 12, line 32, delete "IC 12-16-5.5-3.2(b)," and insert "**IC 12-16-5.5-3.2(c)**".

Page 12, line 35, after "IC 12-16-4.5," insert "**without the division's determination**".

Page 13, line 33, delete "must receive" and insert "**is entitled to**".

Page 14, line 24, delete "must" and insert "**may**".

Page 14, line 28, delete "must" and insert "**may**".

Page 14, line 31, delete "in".

Page 14, line 31, delete "must" and insert "**may**".

Page 15, line 24, after "IC 12-16-14" insert "**,**".

Page 16, line 22, delete "identified" and insert "**referred to**".

Page 16, line 25, after "charges." insert "**the**".

Page 18, line 41, delete "under".

Page 18, line 42, delete "IC 12-16-5.5-1.2(b)" and insert "**initially**".

(Reference is to ESB 66 as printed March 25, 2005.)

BECKER

Motion prevailed.

HOUSE MOTION
(Amendment 66–4)

Mr. Speaker: I move that Engrossed Senate Bill 66 be amended to read as follows:

Page 2, line 23, delete "December 31, 2007." and insert "**April 1, 2006.**".

(Reference is to ESB 66 as printed March 25, 2005.)

BECKER

Motion prevailed.

HOUSE MOTION
(Amendment 66–2)

Mr. Speaker: I move that Engrossed Senate Bill 66 be amended to read as follows:

Page 3, between lines 10 and 11, begin a new paragraph and insert:

"SECTION 3. IC 12-15-12-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6. (a) A Medicaid recipient may be admitted to a hospital by a physician other than the recipient's managed care provider if the recipient requires immediate medical treatment.

(b) The admitting physician shall notify the recipient's managed care provider of the recipient's admission not more than forty-eight (48) hours after the recipient's admission.

(c) Payment for services provided a recipient admitted to a hospital under this section shall be made only for services that the office or the contractor under IC 12-15-30 determines were medically reasonable and necessary.

(d) A physician who provides physician services in the emergency department of a hospital licensed under IC 16-21 to a recipient of services from a managed care organization shall notify the managed care organization not later than five (5) business days after the physician provided a service to the recipient. The managed care organization may specify the procedure by which the physician must notify the managed care organization, including that the notice may be in written or electronic format.

SECTION 4. IC 12-15-12-18.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: **Sec. 18.5. (a) Subject to federal law, a managed care organization may establish policies to control the inappropriate utilization of emergency room services by a recipient.**

(b) Before a managed care organization may implement a policy under subsection (a), the managed care organization shall notify each Medicaid recipient at least thirty (30) days before implementing the policy.

(c) A recipient may appeal under IC 4-21.5 the implementation of a policy under subsection (a).".

Page 3, line 33, reset in roman "(e) This section does not apply to".

Page 3, line 33, reset in roman "the Medicaid".

Page 3, reset in roman line 34.

Page 3, between lines 34 and 35, begin a new paragraph and insert:

"SECTION 4. IC 12-15-15-2.7 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: **Sec. 2.7. (a) This section applies to a physician who:**

(1) provides services in an emergency department of a hospital licensed under IC 16-21; and

(2) does not have a contract with a managed care organization.

(b) For services rendered and documented in an individual's medical record, physicians must be reimbursed for federally required medical screening exams that are necessary to determine the presence of an emergency using the appropriate Current Procedural Terminology (CPT) codes 99281, 99282, or 99283 described in the Current Procedural Terminology Manual published annually by the American Medical Association, without authorization by the enrollee's primary medical provider.

(c) A physician may agree to provide the services described in subsection (b) for:

(1) a negotiated rate other than one hundred percent (100%) of the rate payable under the Medicaid fee structure; or

(2) one hundred percent (100%) of the rate payable under the Medicaid fee structure.".

Renumber all SECTIONS consecutively.

(Reference is to ESB 66 as printed March 25, 2005.)

T. BROWN

Motion prevailed. The bill was ordered engrossed.

Engrossed Senate Bill 132

Representative Borders called down Engrossed Senate Bill 132 for second reading. The bill was read a second time by title.

HOUSE MOTION
(Amendment 132–4)

Mr. Speaker: I move that Engrossed Senate Bill 132 be amended to read as follows:

Page 2, line 10, delete "duty" and insert "**duties**".

Page 2, line 18, delete "and".

Page 2, line 19, delete "." and insert "**; and**

(C) maintain the premises so that the premises are safe.".

Page 2, line 22, delete "only a" and insert "**the**".

Page 2, line 22, delete "refrain" and insert "**:**

(A) refrain from intentionally harming the person; and

(B) maintain the premises so that the premises are safe.".

Page 2, delete line 23.

(Reference is to ESB 132 as printed March 23, 2005.)

ULMER

Motion prevailed. The bill was ordered engrossed.

Engrossed Senate Bill 139

Representative Alderman called down Engrossed Senate Bill 139 for second reading. The bill was read a second time by title.

HOUSE MOTION
(Amendment 139–1)

Mr. Speaker: I move that Engrossed Senate Bill 139 be amended to read as follows:

Page 36, between lines 26 and 27, begin a new paragraph and insert:

"**Sec. 3. This article does not apply to a person who:**

(1) does not profess to be a registered interior designer; and

(2) is an owner or employee of a company whose primary business is to manufacture, sell, or repair recreational vehicles, modular homes, or manufactured homes.

Page 36, line 27, delete "Sec. 3. and insert "**Sec. 4**".

(Reference is to ESB 139 as printed March 29, 2005.)

HINKLE

Motion prevailed. The bill was ordered engrossed.

Engrossed Senate Bill 198

Representative Turner called down Engrossed Senate Bill 198 for second reading. The bill was read a second time by title. There being no amendments, the bill was ordered engrossed.

Engrossed Senate Bill 322

Pursuant to House Rule 143, the sponsor of Engrossed Senate Bill 322, Representative Foley, granted consent to the cosponsor, Representative Ayres, to call the bill down for second reading.

Representative Ayres called down Engrossed Senate Bill 322 for second reading. The bill was read a second time by title. There being no amendments, the bill was ordered engrossed.

Engrossed Senate Bill 524

Representative Hinkle called down Engrossed Senate Bill 524 for second reading. The bill was read a second time by title.

HOUSE MOTION
(Amendment 524–2)

Mr. Speaker: I move that Engrossed Bill 524 be amended to read as follows:

Page 31, between lines 11 and 12, begin a new paragraph and insert:

"SECTION 30. IC 6-1.1-25-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. (a) The period for redemption of real property sold under IC 6-1.1-24 is:

(1) one (1) year after the date of sale **for a taxpayer who is eligible to claim the homestead credit for property taxes owed on the real property under IC 6-1.1-20.9;**

(2) one hundred twenty (120) days after the date of sale to a purchasing agency qualified under IC 36-7-17;

(3) one hundred twenty (120) days after the date of sale of real property on the list prepared under IC 6-1.1-24-1.5; ~~or~~

(4) one hundred twenty (120) days after the date of sale under IC 6-1.1-24-5.5(b); **or**

(5) except as provided in subdivisions (2) through (4), one hundred eighty (180) days after the date of sale for a taxpayer who is not eligible to claim the homestead credit for property taxes on the real property under IC 6-1.1-20.9, if the county executive, in a county not containing a consolidated city, or the county legislative body, in a county containing a consolidated city, has adopted an ordinance to have this subdivision apply to the county.

(b) The period for redemption of real property:

(1) on which the county acquires a lien under IC 6-1.1-24-6; and

(2) for which the certificate of sale is not sold under IC 6-1.1-24-6.1;

is one hundred twenty (120) days after the date the county acquires the lien under IC 6-1.1-24-6.

(c) The period for redemption of real property:

(1) on which the county acquires a lien under IC 6-1.1-24-6; and

(2) for which the certificate of sale is sold under IC 6-1.1-24;

is one hundred twenty (120) days after the date of sale of the certificate of sale under IC 6-1.1-24.

(d) When a deed for real property is executed under this chapter, the county auditor shall cancel the certificate of sale and file the canceled certificate in the office of the county auditor. If real property that appears on the list prepared under IC 6-1.1-24-1.5 is offered for sale and an amount that is at least equal to the minimum sale price required under IC 6-1.1-24-5(e) is not received, the county auditor shall issue a deed to the real property in the manner provided in IC 6-1.1-24-6.5.

(e) When a deed is issued to a county under this chapter, the taxes and special assessments for which the real property was offered for sale, and all subsequent taxes, special assessments, interest, penalties, and cost of sale shall be removed from the tax duplicate in the same manner that taxes are removed by certificate of error.

(f) A tax deed executed under this chapter vests in the grantee an

estate in fee simple absolute, free and clear of all liens and encumbrances created or suffered before or after the tax sale except those liens granted priority under federal law and the lien of the state or a political subdivision for taxes and special assessments which accrue subsequent to the sale and which are not removed under subsection (e). However, the estate is subject to:

(1) all easements, covenants, declarations, and other deed restrictions shown by public records;

(2) laws, ordinances, and regulations concerning governmental police powers, including zoning, building, land use, improvements on the land, land division, and environmental protection; and

(3) liens and encumbrances created or suffered by the grantee.

(g) A tax deed executed under this chapter is prima facie evidence of:

(1) the regularity of the sale of the real property described in the deed;

(2) the regularity of all proper proceedings; and

(3) valid title in fee simple in the grantee of the deed.

(h) A county auditor is not required to execute a deed to the county under this chapter if the county executive determines that the property involved contains hazardous waste or another environmental hazard for which the cost of abatement or alleviation will exceed the fair market value of the property. The county may enter the property to conduct environmental investigations.

(i) If the county executive makes the determination under subsection (h) as to any interest in an oil or gas lease or separate mineral rights, the county treasurer shall certify all delinquent taxes, interest, penalties, and costs assessed under IC 6-1.1-24 to the clerk, following the procedures in IC 6-1.1-23-9. After the date of the county treasurer's certification, the certified amount is subject to collection as delinquent personal property taxes under IC 6-1.1-23. Notwithstanding IC 6-1.1-4-12.4 and IC 6-1.1-4-12.6, the assessed value of such an interest shall be zero (0) until production commences.

(j) When a deed is issued to a purchaser of a certificate of sale sold under IC 6-1.1-24-6.1, the county auditor shall, in the same manner that taxes are removed by certificate of error, remove from the tax duplicate the taxes, special assessments, interest, penalties, and costs remaining due as the difference between the amount of the last minimum bid under IC 6-1.1-24-5(e) and the amount paid for the certificate of sale.".

Page 31, line 16, after "4(a)(1)" insert "**or 4(a)(5), as applicable,**".

Page 73, between lines 13 and 14, begin a new paragraph and insert:

"SECTION 80. [EFFECTIVE JULY 1, 2005] **IC 6-1.1-25-4, as amended by this act, applies only to properties sold at a tax sale after June 30, 2005.**".

Renumber all SECTIONS consecutively.

(Reference is to ESB 524 as printed March 25, 2005.)

DAY

Motion prevailed.

HOUSE MOTION
(Amendment 524–1)

Mr. Speaker: I move that Engrossed Senate Bill 524 be amended to read as follows:

Page 62, delete line 30 through 42.

Delete pages 63 through 65.

Page 66, delete lines 1 through 28.

Page 71, delete lines 11 through 17.

Renumber all SECTIONS consecutively.

(Reference is to ESB 524 as printed March 25, 2005.)

WOLKINS

Motion prevailed.

HOUSE MOTION
(Amendment 524–4)

Mr. Speaker: I move that Engrossed Senate Bill 524 be amended to read as follows:

Page 53, between lines 12 and 13, begin a new paragraph and insert:

"SECTION 53. IC 36-4-3-5.1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5.1. (a) This section applies to an annexation in which owners of land located outside but contiguous to a municipality file a petition with the legislative body of the municipality:

(1) requesting an ordinance annexing the area described in the petition; and

(2) signed by one hundred percent (100%) of the landowners that reside within the territory that is proposed to be annexed.

(b) Sections 2.1 and 2.2 of this chapter do not apply to an annexation under this section.

(c) The petition circulated by the landowners must include on each page where signatures are affixed a heading that is substantially similar to the following:

"PETITION FOR ANNEXATION INTO THE (insert whether city or town) OF (insert name of city or town).".

(d) The municipality may:

(1) adopt an annexation ordinance annexing the territory; and

(2) adopt a fiscal plan and establish a definite policy by resolution of the legislative body;

after the legislative body has held a public hearing on the proposed annexation.

(e) The municipality may introduce and hold the public hearing on the annexation ordinance not later than thirty (30) days after the petition is filed with the legislative body. Notice of the public hearing may be published one (1) time in accordance with IC 5-3-1 at least twenty (20) days before the hearing. All interested parties must have the opportunity to testify at the hearing as to the proposed annexation.

(f) The municipality may adopt the annexation ordinance not earlier than fourteen (14) days after the public hearing under subsection (e).

(g) A landowner may withdraw the landowner's signature from the petition not more than thirteen (13) days after the municipality adopts the fiscal plan by providing written notice to the office of the clerk of the municipality. If a landowner withdraws the landowner's signature, the petition shall automatically be considered a voluntary petition that is filed with the legislative body under section 5 of this chapter, fourteen (14) days after the date the fiscal plan is adopted. All provisions applicable to a petition initiated under section 5 of this chapter apply to the petition.

(h) If the municipality does not adopt an annexation ordinance within sixty (60) days after the landowners file the petition with the legislative body, the landowners may file a duplicate petition with the circuit or superior court of a county in which the territory is located. The court shall determine whether the annexation shall take place as set forth in section 5 of this chapter.

(i) A remonstrance under section 11 of this chapter may not be filed. However, an appeal under section 15.5 **or 15.6** of this chapter may be filed.

(j) In the absence of an appeal under section 15.5 **or 15.6** of this chapter, an annexation ordinance adopted under this section takes effect not less than thirty (30) days after the adoption of the ordinance and upon the filing and recording of the ordinance under section 22 of this chapter.

SECTION 54. IC 36-4-3-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7. (a) After an ordinance is adopted under section 3, 4, 5, or 5.1 of this chapter, it must be published in the manner prescribed by IC 5-3-1. Except as provided in subsection (b), (c), or (f), in the absence of remonstrance and appeal under section 11, ~~or~~ 15.5, **or 15.6** of this chapter, the ordinance takes effect at least ninety (90) days after its publication and upon the filing required by section 22(a) of this chapter.

(b) An ordinance described in subsection (d) or adopted under section 3, 4, 5, or 5.1 of this chapter may not take effect during the year preceding a year in which a federal decennial census is conducted. An ordinance that would otherwise take effect during the year preceding a year in which a federal decennial census is conducted takes effect January 2 of the year in which a federal decennial census is conducted.

(c) Subsections (d) and (e) apply to fire protection districts that are established after June 14, 1987.

(d) Except as provided in subsection (b), whenever a municipality annexes territory, all or part of which lies within a fire protection district (IC 36-8-11), the annexation ordinance (in the absence of

remonstrance and appeal under section 11, ~~or~~ 15.5, **or 15.6** of this chapter) takes effect the second January 1 that follows the date the ordinance is adopted and upon the filing required by section 22(a) of this chapter. The municipality shall:

(1) provide fire protection to that territory beginning the date the ordinance is effective; and

(2) send written notice to the fire protection district of the date the municipality will begin to provide fire protection to the annexed territory within ten (10) days of the date the ordinance is adopted.

(e) If the fire protection district from which a municipality annexes territory under subsection (d) is indebted or has outstanding unpaid bonds or other obligations at the time the annexation is effective, the municipality is liable for and shall pay that indebtedness in the same ratio as the assessed valuation of the property in the annexed territory (that is part of the fire protection district) bears to the assessed valuation of all property in the fire protection district, as shown by the most recent assessment for taxation before the annexation, unless the assessed property within the municipality is already liable for the indebtedness. The annexing municipality shall pay its indebtedness under this section to the board of fire trustees. If the indebtedness consists of outstanding unpaid bonds or notes of the fire protection district, the payments to the board of fire trustees shall be made as the principal or interest on the bonds or notes becomes due.

(f) This subsection applies to an annexation initiated by property owners under section 5.1 of this chapter in which all property owners within the area to be annexed petition the municipality to be annexed. Subject to subsections (b) and (d), and in the absence of an appeal under section 15.5 **or 15.6** of this chapter, an annexation ordinance takes effect at least thirty (30) days after its publication and upon the filing required by section 22(a) of this chapter.

SECTION 55. IC 36-4-3-7.1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7.1. Notwithstanding section 7(b) of this chapter, an ordinance adopted under section 4 of this chapter takes effect immediately upon the expiration of the sixty (60) day remonstrance and appeal period under section 11, ~~or~~ 15.5, **or 15.6** of this chapter and after the publication, filing, and recording required by section 22(a) of this chapter if all of the following conditions are met:

(1) The annexed territory has no population.

(2) Ninety percent (90%) of the total assessed value of the land for property tax purposes has one (1) owner.

(3) The annexation is required to fulfill an economic development incentive package and to retain an industry through various local incentives, including urban enterprise zone benefits.

SECTION 56. IC 36-4-3-15 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 15. (a) The court's judgment under section 12, ~~or~~ 15.5, **or 15.6** of this chapter must specify the annexation ordinance on which the remonstrance is based. The clerk of the court shall deliver a certified copy of the judgment to the clerk of the municipality. The clerk of the municipality shall:

(1) record the judgment in the clerk's ordinance record; and

(2) make a cross-reference to the record of the judgment on the margin of the record of the annexation ordinance.

(b) If a judgment under section 12, ~~or~~ 15.5, **or 15.6** of this chapter is adverse to annexation, the municipality may not make further attempts to annex the territory or any part of the territory during the four (4) years after the later of:

(1) the judgment of the circuit or superior court; or

(2) the date of the final disposition of all appeals to a higher court;

unless the annexation is petitioned for under section 5 or 5.1 of this chapter.

(c) This subsection applies if a municipality repeals the annexation ordinance:

(1) less than sixty-one (61) days after the publication of the ordinance under section 7(a) of this chapter; and

(2) before the hearing commences on the remonstrance under section 11(c) of this chapter.

A municipality may not make further attempts to annex the territory or any part of the territory during the twelve (12) months after the date the municipality repeals the annexation ordinance. This subsection does not prohibit an annexation of the territory or part of the territory that is petitioned for under section 5 or 5.1 of this chapter.

(d) This subsection applies if a municipality repeals the annexation ordinance:

(1) at least sixty-one (61) days but not more than one hundred twenty (120) days after the publication of the ordinance under section 7(a) of this chapter; and

(2) before the hearing commences on the remonstrance under section 11(c) of this chapter.

A municipality may not make further attempts to annex the territory or any part of the territory during the twenty-four (24) months after the date the municipality repeals the annexation ordinance. This subsection does not prohibit an annexation of the territory or part of the territory that is petitioned for under section 5 or 5.1 of this chapter.

(e) This subsection applies if a municipality repeals the annexation ordinance:

(1) either:

(A) at least one hundred twenty-one (121) days after publication of the ordinance under section 7(a) of this chapter but before the hearing commences on the remonstrance under section 11(c) of this chapter; or

(B) after the hearing commences on the remonstrance as set forth in section 11(c) of this chapter; and

(2) before the date of the judgment of the circuit or superior court as set forth in subsection (b).

A municipality may not make further attempts to annex the territory or any part of the territory during the forty-two (42) months after the date the municipality repeals the annexation ordinance. This subsection does not prohibit an annexation of the territory or part of the territory that is petitioned for under section 5 or 5.1 of this chapter.

(f) If a judgment under section 12, ~~or~~ 15.5, **or 15.6** of this chapter orders the annexation to take place, the annexation is effective when the clerk of the municipality complies with the filing requirement of section 22(a) of this chapter.

SECTION 57. IC 36-4-3-15.6 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: **Sec. 15.6. (a) This section applies only to the owners of land that meets the following conditions:**

(1) The land is located:

(A) in an unincorporated area within one (1) township; and

(B) not more than one-half (½) of a mile from territory that is sought to be annexed.

(2) The land is not located in the territory that is sought to be annexed.

(3) The land is located in the same county as the territory that is sought to be annexed.

(b) Except as provided in subsection (c), at least sixty-five percent (65%) of the owners of land described in subsection (a) may file a petition requesting that the proposed annexation not take place. The owners of the land must file the petition:

(1) with the legislative body of the township in which the land is located; and

(2) not more than forty-five (45) days after the publication of the annexation ordinance under section 7 of this chapter.

(c) A petition described in subsection (b) may only be filed if the territory sought to be annexed:

(1) is more than ten (10) acres; and

(2) contains less than one (1) resident for every two (2) acres.

(d) If a petition meeting the conditions of subsections (b) and (c) is filed with the township legislative body, the township legislative body may adopt a resolution authorizing an appeal of the proposed annexation. The township legislative body must file a complaint appealing the proposed annexation as authorized by this section with the circuit or superior court of the county.

(e) If a complaint appealing the proposed annexation is filed with the circuit or superior court under subsection (d) not more than ninety (90) days after the publication of the annexation ordinance under section 7 of this chapter, the court shall fix a

date and time for a hearing on the appeal. Notice of the proceedings, in the form of a summons, shall be served on the annexing municipality. The municipality is the defendant in the cause and shall appear and answer.

(f) The circuit or superior court shall on the date fixed under subsection (e) hear and determine the appeal under subsection (e) without a jury and enter judgment on the question of the annexation according to the evidence that either party may introduce. At the hearing under this subsection, the court shall order the proposed annexation not to take place if the court finds that all the following conditions exist:

(1) The petition filed by landowners with the township legislative body opposing the annexation meets the requirement of this section.

(2) The annexation will have a significant financial impact on the residents or owners of the land described in subsection (a).

(3) The annexation is not in the best interests of the residents or owners of the land described in subsection (a).".

Renumber all SECTIONS consecutively.

(Reference is to ESB 524 as printed March 25, 2005.)

DVORAK

Upon request of Representatives Dvorak and Day, the Speaker ordered the roll of the House to be called. Roll Call 345: yeas 61, nays 34. Motion prevailed. The bill was ordered engrossed.

Engrossed Senate Bill 566

Representative Murphy called down Engrossed Senate Bill 566 for second reading. The bill was read a second time by title.

HOUSE MOTION
(Amendment 566–2)

Mr. Speaker: I move that Engrossed Senate Bill 566 be amended to read as follows:

Page 6, line 32, delete "fourteen (14)" and insert "**fifteen (15)**".

Page 7, between lines 16 and 17, begin a new line block indented and insert:

"**(13) One (1) individual recommended by the Indiana Minority Health Coalition.**".

(Reference is to ESB 566 as printed February 25, 2005.)

MURPHY

Motion prevailed. The bill was ordered engrossed.

Engrossed Senate Bill 626

Representative Whetstone called down Engrossed Senate Bill 626 for second reading. The bill was read a second time by title.

HOUSE MOTION
(Amendment 626–2)

Mr. Speaker: I move that Engrossed Senate Bill 626 be amended to read as follows:

Page 18, delete lines 38 through 42.

Delete pages 19 through 20.

Page 21, delete lines 1 through 33.

Renumber all SECTIONS consecutively.

(Reference is to ESB 626 as printed March 25, 2005.)

KUZMAN

Motion prevailed.

HOUSE MOTION
(Amendment 626–3)

Mr. Speaker: I move that Engrossed Senate Bill 626 be amended to read as follows:

Page 5, between lines 41 and 42, begin a new paragraph and insert:

"SECTION 8. IC 4-33-12-7 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: **Sec. 7. (a) This section applies to:**

(1) a county contiguous to the Ohio River; and

(2) a county contiguous to Lake Michigan.

(b) Notwithstanding any other provision of this article, the sum of the taxes collected under this chapter and paid to entities located in the county may not be reduced below the sum of the amounts paid to entities located in the county in state fiscal year 2005 unless the voters of the county have approved the revenue reduction.

(c) The county election board shall place the following question on the ballot in the county during the next general election:

"Shall the amount of riverboat admissions taxes distributed in the county be reduced?".

(d) A public question under this section shall be placed on the ballot in accordance with IC 3-10-9 and must be certified in accordance with IC 3-10-9-3.

(e) The clerk of the circuit court of a county holding an election under this chapter shall certify the results determined under IC 3-12-4-9 to the commission and the department of state revenue.

(f) If a public question under this section is placed on the ballot in a county and the voters of the county do not vote in favor of permitting a reduction in the amount of taxes distributed under this chapter in the county, a second public question under this section may not be held in that county for at least two (2) years. If the voters of the county vote to reject a revenue reduction a second time, a third or subsequent public question under this section may not be held in that county until the general election held during the tenth year following the year that the previous public question was placed on the ballot.

SECTION 9. IC 4-33-13-7 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: **Sec. 7. (a) This section applies to:**

(1) a county contiguous to the Ohio River; and

(2) a county contiguous to Lake Michigan.

(b) Notwithstanding any other provision of this article, the sum of the taxes collected under this chapter and paid to entities located in the county may not be reduced below the sum of the amounts paid to entities located in the county in state fiscal year 2005 unless the voters of the county have approved the revenue reduction.

(c) The county election board shall place the following question on the ballot in the county during the next general election:

"Shall the amount of riverboat wagering taxes distributed in the county be reduced?".

(d) A public question under this section shall be placed on the ballot in accordance with IC 3-10-9 and must be certified in accordance with IC 3-10-9-3.

(e) The clerk of the circuit court of a county holding an election under this chapter shall certify the results determined under IC 3-12-4-9 to the commission and the department of state revenue.

(f) If a public question under this section is placed on the ballot in a county and the voters of the county do not vote in favor of permitting a reduction in the amount of taxes distributed under this chapter in the county, a second public question under this section may not be held in that county for at least two (2) years. If the voters of the county vote to reject a revenue reduction a second time, a third or subsequent public question under this section may not be held in that county until the general election held during the tenth year following the year that the previous public question was placed on the ballot.".

Renumber all SECTIONS consecutively.

(Reference is to ESB 626 as printed March 25, 2005.)

PELATH

Representative Whetstone rose to a point of order, citing Rule 80, stating that the motion was not germane to the bill. The Speaker ruled the point was well taken and the motion was out of order.

APPEAL OF THE RULING OF THE CHAIR

Mr. Speaker: We hereby appeal the ruling of the Chair that Representative Pelath's amendment (626–3) is not germane to Engrossed Senate Bill 626.

Amendment 3 is germane to Engrossed Senate Bill 626 because both measures concern riverboat gaming.

PELATH
KUZMAN

The Speaker yielded the gavel to the Speaker Pro Tempore, Representative Turner.

The question was, Shall the ruling of the Chair be sustained? Roll

Call 346: yeas 43, nays 48. The ruling of the Chair was sustained.

The Speaker Pro Tempore yielded the gavel to the Speaker.

There being no further amendments, the bill was ordered engrossed.

Engrossed Senate Bill 268

Representative T. Brown called down Engrossed Senate Bill 268 for second reading. The bill was reread a second time by title.

HOUSE MOTION
(Amendment 268–1)

Mr. Speaker: I move that Engrossed Senate Bill 268 be amended to read as follows:

Page 1, between the enacting clause and line 1, begin a new paragraph and insert:

"SECTION 1. IC 6-3-2-20 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: **Sec. 20. (a) As used in this section, "deductible expenses" means unreimbursed travel expenses, housing expenses, lost wages, and other expenses incurred by an individual in connection with the donation of a human organ.**

(b) As used in this section, "human organ" means all or a part of the kidney, liver, lung, bone marrow, pancreas, or intestine of a human body.

(c) An individual:

(1) who donates a human organ of the individual; or

(2) whose dependent donates, of the dependent's own volition, a human organ of the dependent;

for use in human organ transplantation is entitled to a deduction from the individual's adjusted gross income for the taxable year in which the human organ is donated.

(d) The amount of the deduction may not exceed the lesser of:

(1) the individual's deductible expenses; or

(2) ten thousand dollars ($10,000).

(e) To obtain the deduction provided by this section, the individual must file with the department proof of the individual's deductible expenses.

(f) An individual may claim only one (1) deduction under this section during the individual's lifetime.".

Page 3, between lines 38 and 39, begin a new paragraph and insert:

"SECTION 10. IC 35-46-5-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 1. (a) As used in this section, "fetal tissue" means tissue from an infant or a fetus who is stillborn or aborted.

(b) As used in this section, "human organ" means the kidney, liver, heart, lung, cornea, eye, bone marrow, bone, pancreas, or skin of a human body.

(c) As used in this section, "item of value" means money, real estate, funeral related services, and personal property. "Item of value" does not include:

(1) the reasonable payments associated with the removal, transportation, implantation, processing, preservation, quality control, and storage of a human organ; ~~or~~

(2) the reimbursement of travel **expenses,** housing **expenses,** lost wages, and other expenses incurred by the donor of a human organ related to the donation of the human organ; **or**

(3) an income tax deduction under IC 6-3-2-20.

(d) A person who intentionally acquires, receives, sells, or transfers in exchange for an item of value:

(1) a human organ for use in human organ transplantation; or

(2) fetal tissue;

commits unlawful transfer of human tissue, a Class C felony.".

Page 4, between lines 26 and 27, begin a new paragraph and insert:

"SECTION 13. [EFFECTIVE JANUARY 1, 2006] **IC 6-3-2-20, as added by this act, applies to taxable years beginning after December 31, 2005.**".

Renumber all SECTIONS consecutively.

(Reference is to ESB 268 as printed March 23, 2005.)

C. BROWN

Representative T. Brown rose to a point of order, citing Rule 80, stating that the motion was not germane to the bill. The Speaker ruled the point was well taken and the motion was out of order.

APPEAL OF THE RULING OF THE CHAIR

Mr. Speaker: We hereby appeal the ruling of the Chair that Representative C. Brown's amendment (268–1) is not germane to Engrossed Senate Bill 268.

Amendment 1 is germane to Engrossed Senate Bill 268 because both measures concern health issues.

PELATH
C. BROWN

The Speaker yielded the gavel to the Speaker Pro Tempore, Representative Turner.

The question was, Shall the ruling of the Chair be sustained? Roll Call 347: yeas 48, nays 47. The ruling of the Chair was sustained.

The Speaker Pro Tempore yielded the gavel to the Speaker.

Representative Ruppel was excused for the rest of the day.

HOUSE MOTION
(Amendment 268–3)

Mr. Speaker: I move that Engrossed Senate Bill 268 be amended to read as follows:

Page 2, line 35, delete "cloning;" and insert "**cloning for reproductive purposes;**".

Page 2, line 38, delete "cloning." and insert "**cloning for reproductive purposes.**".

Page 3, line 2, after "cloning" insert "**for reproductive purposes**".

Page 3, line 7, delete "cloning." and insert "**cloning for reproductive purposes.**".

Page 3, line 38, delete "cloning." and insert "**cloning for reproductive purposes.**".

Page 4, line 4, delete "cloning;" and insert "**cloning for reproductive purposes;**".

(Reference is to ESB 268 as printed March 23, 2005.)

ORENTLICHER

Upon request of Representatives Orentlicher and Pierce, the Speaker ordered the roll of the House to be called. Roll Call 348: yeas 26, nays 65. Motion failed.

HOUSE MOTION
(Amendment 268–4)

Mr. Speaker: I move that Engrossed Senate Bill 268 be amended to read as follows:

Page 4, line 16, after "expenses" insert "**or other compensation**".

(Reference is to ESB 268 as printed March 23, 2005.)

ORENTLICHER

Upon request of Representatives Orentlicher and Pierce, the Speaker ordered the roll of the House to be called. Roll Call 349: yeas 29, nays 60. Motion failed. The bill was ordered engrossed.

RESOLUTIONS ON FIRST READING

House Concurrent Resolution 36

Representatives Messer and Cherry introduced House Concurrent Resolution 36:

A CONCURRENT RESOLUTION to honor the perseverance and dedication of Superintendent James Peck.

Whereas, Superintendent James Peck plans to retire from 12 years of leadership within Shelbyville Central Schools;

Whereas, Superintendent Peck orchestrated many school improvement efforts to improve the learning environment for all of the 3,700 students in the Shelbyville Central School System;

Whereas, Superintendent Peck instilled a reduced budget plan eliminating a $2 million deficit;

Whereas, James Peck graduated from Indiana State University in 1964 with bachelor's and master's degrees in education;

Whereas, James Peck has dedicated the past 40 years to education as a teacher and an administrator;

Whereas, Superintendent Peck's wife of 35 years Janet, teaches third grade at Coulston Elementary and daughter Jennifer Vasser, teaches kindergarten at Loper Elementary, both in Shelbyville

Central Schools;

Whereas, Superintendent Peck's son Jim is a junior at Shelbyville High School; and

Whereas, Superintendent Peck has given his entire professional life to educating the young people of Indiana and making a difference in their lives: Therefore,

Be it resolved by the House of Representatives of the General Assembly of the State of Indiana, the Senate concurring:

SECTION 1. That the House of Representatives of the General Assembly, the Senate concurring, does honor and congratulate the educational dedication of Superintendent James Peck.

SECTION 2. That the Principal Clerk of the House of Representatives transmit copies of this resolution to Superintendent James Peck.

The resolution was read a first time and adopted by voice vote. The Clerk was directed to inform the Senate of the passage of the resolution. Senate sponsor: Senator Jackman.

House Resolution 35

Representative Burton introduced House Resolution 35:

A HOUSE RESOLUTION to honor and recognize Beulah Mardis for her many years of community service.

Whereas, Beulah Mardis, an esteemed life-long resident of Franklin, Indiana is honored and recognized for her many years of service to the State of Indiana;

Whereas, Beulah Mardis was born November 29, 1904;

Whereas, Beulah Mardis, an 100-year-old citizen of Johnson County has helped shape and mold the county and the city of Franklin;

Whereas, Beulah Mardis' parents settled in Johnson County in the 1800's, farmed the land and founded the Shiloh Cumberland Presbyterian Church that is now Shiloh Community Church, which is the same property that Ms. Mardis lived and raised her own four children;

Whereas, Beulah Mardis attended Franklin public schools, Madam Blaker School, which later became Butler University, and Franklin College, class of 1926;

Whereas, Beulah Mardis spent several summers in Mexico studying art through the program of the University of Arizona;

Whereas, As a young girl, Beulah Mardis was involved in the community, organizing the Pigs Club that later became Johnson County's 4-H organization;

Whereas, When Camp Atterbury was established, Beulah Mardis opened her home to the contractors who built the facility and later, to the soldiers and their families of the camp;

Whereas, In 1976 Beulah Mardis designed the quilt square for the State Fair's Bicentennial Celebration and later was commissioned by the National Doll's Club to design the logo for the club's convention in Indiana;

Whereas, Beulah Mardis was a school teacher for fifteen years and hundred's of students have passed through the doors of her classroom;

Whereas, Beulah Mardis is a gifted artist with many of her paintings hanging in private homes and public buildings throughout Indiana;

Whereas, Beulah Mardis continues to give art lessons on a weekly basis at her own studio in Franklin;

Whereas, Beulah Mardis has contributed to the Daughters of the American Revolution, the Johnson County Extension Homemakers, and the Johnson County Retired Teachers Association; and

Whereas, The success of the State of Indiana, the strength of our communities, and the overall vitality of American society depend, in great measure, upon the dedication and service of people like Beulah Mardis who use their considerable talents and resources to serve others: Therefore,

Be it resolved by the House of Representatives of the General Assembly of the State of Indiana:

SECTION 1. That the Indiana House of Representatives does honor and recognize Beulah Mardis for her many years of community service.

SECTION 2. That the Principal Clerk of the House of Representatives shall transmit a copy of this Resolution to Beulah Mardis.

The resolution was read a first time and adopted by voice vote.

House Resolution 36

Representative T. Harris introduced House Resolution 36:

A HOUSE RESOLUTION honoring Northside Elementary School, Hartford City, Indiana, on successfully completing the Governor's Fitness Award program with 100% participation.

Whereas, The Governor's Fitness Award program is a nine week personal fitness program designed to introduce school age children to physical activity as a way of life;

Whereas, During the first week, each student is asked to choose activities for participation during the program;

Whereas, After the first week, the child is asked to set goals for the remaining eight weeks of the program;

Whereas, The students who successfully complete the program receive a certificate acknowledging their commitment;

Whereas, Schools with the highest participation percentage receive a visit by the Indiana Fever fitness clinic;

Whereas, Northside Elementary School in Hartford City achieved 100% participation and successfully completed the 2004-2005 Governor's Fitness Award program; and

Whereas, Northside Elementary students have proven they are dedicated to improving their way of life and helping to prevent disease by maintaining a healthy level of physical activity: Therefore,

Be it resolved by the House of Representatives of the General Assembly of the State of Indiana:

SECTION 1. That the members of the Indiana House of Representatives acknowledge the outstanding work and total focus of the students at Northside Elementary School in achieving 100% participation and successful completion of the Governor's Fitness Award program.

SECTION 2. That the Principal Clerk of the House of Representatives shall transmit a copy of this resolution to the principal of Northside Elementary School.

The resolution was read a first time and adopted by voice vote.

House Resolution 37

Representative Ayres introduced House Resolution 37:

A HOUSE RESOLUTION to honor and congratulate the Chesterton High School State Debate Team for winning the 2005 State Debate Championship.

Whereas, The Chesterton High School State Debate Team competed in the State Debate Championship on February 5th and 6th 2005, fielding teams for the Policy Team Debate, Lincoln-Douglas Debate, Congressional Legislative Debate, and Public Forum Team Debate;

Whereas, Chesterton High School State Debate Team accomplished what no other school had ever done before with their four entries sweeping the field of 29 competing teams and capturing the top four slots of the competition;

Whereas, All of the Chesterton High School State Debate Team participants broke out of the preliminary competition to advance to the elimination rounds including Amy Zehner, Mike Frost, Patricia Podguski, Rachel Wyatt, Shannon Alexander, Nicole Horvath, Katelyn Holsclaw, Matt Frost, Stephanie Leopold, A.J. Rodriguez, Kevin Small, Kelly Starcevich, Samantha Wuletich, Scott Coffer, Stefan Barkow, Sarah Svendsen, Phil Braunlich, Ryan Anderson, Kevin Weaver, Matt Deleon, Alex Sisto, Sarah Christoferson, Melissa Frye, Margaret Knopic and Kate Weber;

Whereas, AJ Rodriguez, Kevin Small, Kelly Starcevich, Samantha Wuletich, Scott Cofer, Stefan Barkow, Sarah Svedsen and Phil Braunlich all competed in the Policy Team Debate event;

Whereas, Policy Team Debate champions were A.J. Rodriguez and Kevin Small;

Whereas, Katelyn Holsclaw, Nicole Horvath, Matt Frost and Stephanie Leopold competed in the Lincoln-Douglas Debate;

Whereas, Katelyn Holsclaw finished third in the state for the Lincoln-Douglas Debate Tournament;

Whereas, Mike Frost, Rachel Wyatt, Patricia Podguski, Amy Zehner and Shannon Alexander competed in the Congressional Legislative Debate;

Whereas, Mike Frost broke to the final Super Senate competition and placed second in a field of 90 debaters with Rachel Wyatt joining him in the finals where they placed fourth;

Whereas, Ryand Anderson, Kevin Weaver, Margaret Knopic, Kate Weber, Melissa Frye, Sarah Christoferson, Matt DeLeon and Alex Sisto competed in the Public Forum Team Debate;

Whereas, Ryan Anderson and Kevin Weaver broke to the Public Forum Team Debate quarter finals losing only to the eventual state champion;

Whereas, Coaches James Cavallo, Kirsten Reed, and Chris Lowery should be commended for their contributions of time and effort in guiding these champions to victory;

Whereas, The Chesterton High School Debate Team has won the State Championship for the past eight years making this the 16th State Championship for the team; and

Whereas, These young men and women are to be commended for their dedication and hard work, and congratulated for their outstanding accomplishments in the field of debating: Therefore,

Be it resolved by the House of Representatives
of the General Assembly of the State of Indiana:

SECTION 1. That the Indiana House of Representatives does honor and congratulate the Chesterton High School State Debate Team for winning the 2005 State Debate Championship.

SECTION 2. That the Principal Clerk of the House of Representatives transmit copies to James Cavallo, Kirsten Reed, Chris Lowery, Amy Zehner, Mike Frost, Patricia Podguski, Rachel Wyatt, Shannon Alexander, Nicole Horvath, Katelyn Holsclaw, Matt Frost, Stephanie Leopold, AJ Rodriguez, Kevin Small, Kelly Starcevich, Samantha Wuletich, Scott Coffer, Stefan Barkow, Sarah Svendsen, Phil Braunlich, Ryan Anderson, Kevin Weaver, Matt Deleon, Alex Sisto, Sarah Christoferson, Melissa Frye, Margaret Knopic and Kate Weber.

The resolution was read a first time and adopted by voice vote.

House Resolution 38

Representatives Frizzell and Denbo introduced House Resolution 38:

A HOUSE RESOLUTION recognizing the accomplishments of the Parents, Educators, and Professional Businesses (PEP) program.

Whereas, The Parents, Educators, and Professional Businesses (PEP) program was established in 1996 to help schools afford programs and equipment they could not otherwise afford;

Whereas, The PEP organization provides a means of generating funds for schools and students and goodwill recognition for businesses and retail establishments by returning to the community money to support education;

Whereas, Students benefit from PEP through funds deposited into a family escrow account to be used for tuition to colleges and technical schools;

Whereas, Most of the work of the PEP organization is carried out by parents and volunteers from business and education who want to provide a better education for young Hoosiers and children throughout the United States;

Whereas, PEP was designed to benefit both students and schools;

Whereas, Funds are accrued based on purchases made and vouchers collected by members and their families and friends who wish to participate;

Whereas, Schools benefit from PEP because a certain percentage of every dollar earned by a voucher is contributed to a participating school in a PEP chapter. These funds can be used for approved academic programs, including library books, scholarships, tutoring, incentive programs, educational trips, supplies, and other related school expenditures that benefit students;

Whereas, PEP also provides members with another way to earn credits toward their individual accounts through the tutoring program;

Whereas, The tutoring program was developed to help students improve their grade point averages (GPA) with help from other students, parents, and teachers;

Whereas, To become a tutor, a student must be in grades 5 through 12 and have a GPA of 3.0, and successful candidates may tutor students in grades 2 through 12;

Whereas, Students and parents may apply to the PEP educational advisory council for a tutoring position;

Whereas, The tutors are rewarded with individual scholarship funds for college or trade school of $50 for each tenth of a point improvement in the GPA of each student they tutor for the year; and

Whereas, Efforts such as PEP are a unique and inventive way to improve the education of our young Hoosiers and children throughout the United States, and special recognition is called for in order to bring these worthwhile efforts to the forefront so that more children and schools may benefit: Therefore,

Be it resolved by the House of Representatives
of the General Assembly of the State of Indiana:

SECTION 1. That the Indiana House of Representatives wishes to thank the members of the PEP organization for all their efforts on behalf of the school children of the State of Indiana and to encourage them to continue these efforts.

SECTION 2. That the Principal Clerk of the House of Representatives shall transmit a copy of this resolution to the members of the PEP organization.

The resolution was read a first time and adopted by voice vote.

House Resolution 39

Representative Kuzman introduced House Resolution 39:

A HOUSE RESOLUTION honoring Timothy Ball Elementary School, Crown Point, for its victory in the Class 1 2005 Elementary School MATH Bowl and for earning the highest score in the state.

Whereas, The MATH Bowl, an acronym for Math Academic Teams for Hoosiers, is sponsored by the Indiana Association of School Principals and Purdue University;

Whereas, The MATH Bowl competition consists of four rounds of seven questions, and each team has three students who work together to submit an answer;

Whereas, At the end of each round, a new group of students competes;

Whereas, The seventh question of each round counts as a tie breaker;

Whereas, The Timothy Ball team scored 26 out of 28 points to surpass the 87 other schools competing in the Class 1 competition;

Whereas, The team's 26 points was the highest score among all 340 competing schools;

Whereas, Only two other schools scored 26 points in the entire state, and the Timothy Ball team broke the tie with 20 consecutive correct answers; and

Whereas, The academic excellence displayed by the Timothy Ball Elementary School MATH Bowl team deserves special recognition: Therefore,

Be it resolved by the House of Representatives
of the General Assembly of the State of Indiana:

SECTION 1. That the Indiana House of Representatives congratulates Timothy Ball Elementary School on its impressive victory in the Class 1 Elementary School MATH Bowl and for earning the highest score among all competing schools.

SECTION 2. That the Principal Clerk of the House of Representative shall transmit a copy of this resolution to the members of the Timothy Ball MATH team and the school principal.

The resolution was read a first time and adopted by voice vote.

ENGROSSED SENATE BILLS ON THIRD READING

Engrossed Senate Bill 14

Representative Richardson called down Engrossed Senate Bill 14 for third reading:

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

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 350: yeas 65, nays 29. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill.

Engrossed Senate Bill 15

Representative Richardson called down Engrossed Senate Bill 15 for third reading:

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

The bill was read a third time by sections and placed upon its passage.

HOUSE MOTION
(Amendment 15–3)

Mr. Speaker: I move that Engrossed Senate Bill 15 be recommitted to a Committee of One, its sponsor, with specific instructions to amend as follows:

Page 26, line 15, after "individual." insert "**The term does not include expressing:**

(1) support or opposition to a candidate or a political party; or

(2) expressing approval or disapproval of a public question; in material mailed to a voter.".

(Reference is to ESB 15 as reprinted March 30, 2005.)

RICHARDSON

There being a two-thirds vote in favor of the motion, the motion prevailed.

COMMITTEE REPORT

Mr. Speaker: Your Committee of One, to which was referred Engrossed Senate Bill 15, begs leave to report that said bill has been amended as directed.

RICHARDSON

Report adopted.

The question then was, Shall the bill pass?

Roll Call 351: yeas 81, nays 11. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill.

Engrossed Senate Bill 30

Representative T. Brown called down Engrossed Senate Bill 30 for third reading:

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

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 352: yeas 91, nays 0. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill.

Engrossed Senate Bill 32

Representative Ulmer called down Engrossed Senate Bill 32 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning criminal law and procedure.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 353: yeas 90, nays 0. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill.

Engrossed Senate Bill 43

Representative Ripley called down Engrossed Senate Bill 43 for third reading:

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

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 354: yeas 89, nays 0. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill.

Engrossed Senate Bill 49

Representative Koch called down Engrossed Senate Bill 49 for third reading:

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

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 355: yeas 93, nays 0. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill.

Engrossed Senate Bill 60

Representative T. Brown called down Engrossed Senate Bill 60 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning natural and cultural resources.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 356: yeas 89, nays 2. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill.

Engrossed Senate Bill 64

Representative Murphy called down Engrossed Senate Bill 64 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning natural and cultural resources.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 357: yeas 90, nays 3. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill.

The Speaker yielded the gavel to the Deputy Speaker Pro Tempore, Representative T. Brown.

Engrossed Senate Bill 75

Representative Ripley called down Engrossed Senate Bill 75 for third reading:

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

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Representative T. Harris was excused from voting pursuant to House Rule 47. Roll Call 358: yeas 88, nays 0. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill.

Representative Bauer was excused for the rest of the day.

Engrossed Senate Bill 96

Representative Messer called down Engrossed Senate Bill 96 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning criminal law and procedure.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 359: yeas 92, nays 0. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill.

Engrossed Senate Bill 111

Representative Alderman called down Engrossed Senate Bill 111 for third reading:

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

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 360: yeas 91, nays 0. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill.

Engrossed Senate Bill 175

Representative Neese called down Engrossed Senate Bill 175 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning criminal law and procedure.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 361: yeas 93, nays 0. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill.

The Deputy Speaker Pro Tempore yielded the gavel to the Speaker.

Engrossed Senate Bill 196

Representative Alderman called down Engrossed Senate Bill 196 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning professions and occupations.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 362: yeas 86, nays 3. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill.

Representative Hinkle was excused for the rest of the day.

Engrossed Senate Bill 202

Representative Buell called down Engrossed Senate Bill 202 for third reading:

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

The bill was read a third time by sections and placed upon its passage.

HOUSE MOTION
(Amendment 202–10)

Mr. Speaker: I move that Engrossed Senate Bill 202 be recommitted to a Committee of One, its sponsor, with specific instructions to amend as follows:

Page 1, delete lines 1 through 17, begin a new paragraph and insert:

"SECTION 1. IC 20-12-5.5-2.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: **Sec. 2.5. Except as provided in subsection (b), a project that has been approved or authorized by the general assembly is not subject to review by the commission for higher education.**

(b) The commission for higher education shall review a project approved or authorized by the general assembly if the review is requested by the budget agency or the budget committee.".

Page 2, delete lines 1 through 8.

Renumber all SECTIONS consecutively.

(Reference is to ESB 202 as reprinted March 30, 2005.)

BUELL

There being a two-thirds vote in favor of the motion, the motion prevailed.

COMMITTEE REPORT

Mr. Speaker: Your Committee of One, to which was referred Engrossed Senate Bill 202, begs leave to report that said bill has been amended as directed.

BUELL

Report adopted.

The question then was, Shall the bill pass?

Roll Call 363: yeas 86, nays 5. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill.

Engrossed Senate Bill 230

Representative Becker called down Engrossed Senate Bill 230 for third reading:

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

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 364: yeas 89, nays 0. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill.

Engrossed Senate Bill 303

Representative Buell called down Engrossed Senate Bill 303 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning courts and court officers.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 365: yeas 91, nays 0. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill.

Engrossed Senate Bill 304

Representative Alderman called down Engrossed Senate Bill 304 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning military and veterans' affairs.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 366: yeas 92, nays 0. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill.

Engrossed Senate Bill 315

Representative Stilwell called down Engrossed Senate Bill 315 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning natural and cultural resources.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 367: yeas 88, nays 3. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill.

Engrossed Senate Bill 329

Representative Saunders called down Engrossed Senate Bill 329 for third reading:

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

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 368: yeas 75, nays 17. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill.

Engrossed Senate Bill 432

Representative Becker called down Engrossed Senate Bill 432 for third reading:

A BILL FOR AN ACT concerning health.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 369: yeas 92, nays 0. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill.

Engrossed Senate Bill 459

Representative Leonard called down Engrossed Senate Bill 459 for third reading:

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

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 370: yeas 89, nays 1. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill.

Engrossed Senate Bill 472

Representative Welch called down Engrossed Senate Bill 472 for third reading:

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

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 371: yeas 94, nays 0. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill.

Engrossed Senate Bill 481

Representative Budak called down Engrossed Senate Bill 481 for third reading:

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

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 372: yeas 91, nays 0. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill.

Engrossed Senate Bill 487

Representative Leonard called down Engrossed Senate Bill 487 for third reading:

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

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 373: yeas 86, nays 7. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill.

Representative Wolkins was excused for the rest of the day.

The Speaker yielded the gavel to the Speaker Pro Tempore, Representative Turner.

Engrossed Senate Bill 512

Representative Whetstone called down Engrossed Senate Bill 512 for third reading:

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

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 374: yeas 59, nays 31. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill.

Engrossed Senate Bill 513

Representative Buck called down Engrossed Senate Bill 513 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning utilities and transportation.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 375: yeas 90, nays 0. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill.

The Speaker Pro Tempore yielded the gavel to the Speaker.

Engrossed Senate Bill 568

Representative J. Lutz called down Engrossed Senate Bill 568 for third reading:

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

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 376: yeas 75, nays 18. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill.

OTHER BUSINESS ON THE SPEAKER'S TABLE

Reassignments

The Speaker announced the reassignment of Engrossed Senate Bill 358 from the Committee on Public Safety and Homeland Security to the Committee on Rules and Legislative Procedures.

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the Senate has passed Engrossed House Bills 1008, 1112, and 1501 with amendments and the same are herewith returned to the House for concurrence.

MARY C. MENDEL
Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the Senate has passed, without amendments, Engrossed House Bill 1432 and the same is herewith returned to the House.

MARY C. MENDEL
Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I hereby transmit Senate Enrolled Acts 12, 44, 76, 98, 101, 193, 225, 265, 267, 453, 465, and 572 for signature.

MARY C. MENDEL
Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the Senate has not concurred in House amendments to Engrossed Senate Bill 1 and the President Pro Tempore has appointed the following Senators a conference committee to meet and confer with a like committee of the House on said bill, and to report thereon:

Conferees: Ford, Chair; and Hume
Advisors: Kenley and Simpson

MARY C. MENDEL
Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the Senate has not concurred in House amendments to Engrossed Senate Bill 18 and the President Pro Tempore has appointed the following Senators a conference committee to meet and confer with a like committee of the House on said bill, and to report thereon:

Conferees: C. Lawson, Chair; and Mrvan
Advisors: Steele and Broden

MARY C. MENDEL
Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the Senate has not concurred in House amendments to Engrossed Senate Bill 206 and the President Pro Tempore has appointed the following Senators a conference committee to meet and confer with a like committee of the House on said bill, and to report thereon:

Conferees: Dillon, Chair; and Breaux

MARY C. MENDEL
Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the Senate has not concurred in House amendments to Engrossed Senate Bill 227 and the President Pro Tempore has appointed the following Senators a conference committee to meet and confer with a like committee of the House on said bill, and to report thereon:

Conferees: Miller, Chair; and Broden
Advisors: Heinold and Lanane

MARY C. MENDEL
Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the Senate has not concurred in House amendments to Engrossed Senate Bill 378 and the President Pro Tempore has appointed the following Senators a conference committee to meet and confer with a like committee of the House on said bill, and to report thereon:

Conferees: Weatherwax, Chair; and Hume
Advisors: Hershman and Skinner

MARY C. MENDEL
Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the Senate has not concurred in House amendments to Engrossed Senate Bill 446 and the President Pro Tempore has appointed the following Senators a conference committee to meet and confer with a like committee of the House on said bill, and to report thereon:

Conferees: Gard, Chair; and Lanane

MARY C. MENDEL
Principal Secretary of the Senate

PETITION TO CHANGE VOTING RECORD

Mr. Speaker: Pursuant to House Rule 75, I hereby petition to change my voting record on the third reading of Engrossed Senate Bill 14, Roll Call 350, on March 31, 2005. In support of this petition, I submit the following reason:

"I was present but was unable to reach my seat in time to vote. I intended to vote yea."

BEHNING

There being a constitutional majority voting in favor of the petition, the petition was adopted. [*Journal Clerk's note: this changes the vote tally for Roll Call 350 to 65 yeas, 29 nays.*]

PETITION TO CHANGE VOTING RECORD

Mr. Speaker: Pursuant to House Rule 75, I hereby petition to change my voting record on the third reading of Engrossed Senate Bill 15, Roll Call 351, on March 31, 2005. In support of this petition, I submit the following reason:

"I was present and in the Chamber, but when I attempted to vote, the machine had closed. I intended to vote yea."

AUSTIN

There being a constitutional majority voting in favor of the petition, the petition was adopted. [*Journal Clerk's note: this changes the vote tally for Roll Call 351 to 81 yeas, 11 nays.*]

PETITION TO CHANGE VOTING RECORD

Mr. Speaker: Pursuant to House Rule 75, I hereby petition to change my voting record on the third reading of Engrossed Senate Bill 30, Roll Call 352, on March 31, 2005. In support of this petition, I submit the following reason:

"I was present but was unable to reach my seat in time to vote. I intended to vote yea."

FRIEND

There being a constitutional majority voting in favor of the petition, the petition was adopted. [*Journal Clerk's note: this changes the vote tally for Roll Call 352 to 91 yeas, 0 nays.*]

PETITION TO CHANGE VOTING RECORD

Mr. Speaker: Pursuant to House Rule 75, I hereby petition to change my voting record on the third reading of Engrossed Senate

Bill 32, Roll Call 353, on March 31, 2005. In support of this petition, I submit the following reason:

"I was present and in the Chamber, but when I attempted to vote, the machine had closed. I intended to vote yea."

PORTER

There being a constitutional majority voting in favor of the petition, the petition was adopted. [*Journal Clerk's note: this changes the vote tally for Roll Call 353 to 90 yeas, 0 nays.*]

PETITION TO CHANGE VOTING RECORD

Mr. Speaker: Pursuant to House Rule 75, I hereby petition to change my voting record on the third reading of Engrossed Senate Bill 43, Roll Call 354, on March 31, 2005. In support of this petition, I submit the following reason:

"I was present and in the Chamber, but when I attempted to vote, the machine had closed. I intended to vote yea."

PORTER

There being a constitutional majority voting in favor of the petition, the petition was adopted. [*Journal Clerk's note: this changes the vote tally for Roll Call 354 to 89 yeas, 0 nays.*]

PETITION TO CHANGE VOTING RECORD

Mr. Speaker: Pursuant to House Rule 75, I hereby petition to change my voting record on the third reading of Engrossed Senate Bill 64, Roll Call 357, on March 31, 2005. In support of this petition, I submit the following reason:

"I was present and in the Chamber, but when I attempted to vote, the machine had closed. I intended to vote yea."

PORTER

There being a constitutional majority voting in favor of the petition, the petition was adopted. [*Journal Clerk's note: this changes the vote tally for Roll Call 357 to 90 yeas, 3 nays.*]

PETITION TO CHANGE VOTING RECORD

Mr. Speaker: Pursuant to House Rule 75, I hereby petition to change my voting record on the third reading of Engrossed Senate Bill 75, Roll Call 358, on March 31, 2005. In support of this petition, I submit the following reason:

"I was present but was unable to reach my seat in time to vote. I intended to vote yea."

LEHE

There being a constitutional majority voting in favor of the petition, the petition was adopted. [*Journal Clerk's note: this changes the vote tally for Roll Call 358 to 88 yeas, 0 nays.*]

PETITION TO CHANGE VOTING RECORD

Mr. Speaker: Pursuant to House Rule 75, I hereby petition to change my voting record on the third reading of Engrossed Senate Bill 96, Roll Call 359, on March 31, 2005. In support of this petition, I submit the following reason:

"I was present but was unable to reach my seat in time to vote. I intended to vote yea."

LEHE

There being a constitutional majority voting in favor of the petition, the petition was adopted. [*Journal Clerk's note: this changes the vote tally for Roll Call 359 to 92 yeas, 0 nays.*]

PETITION TO CHANGE VOTING RECORD

Mr. Speaker: Pursuant to House Rule 75, I hereby petition to change my voting record on the third reading of Engrossed Senate Bill 111, Roll Call 360, on March 31, 2005. In support of this petition, I submit the following reason:

"I was temporarily away from my desk and was unable to return in time to cast my vote. I intended to vote yea."

MESSER

There being a constitutional majority voting in favor of the petition, the petition was adopted. [*Journal Clerk's note: this changes the vote tally for Roll Call 360 to 91 yeas, 0 nays.*]

PETITION TO CHANGE VOTING RECORD

Mr. Speaker: Pursuant to House Rule 75, I hereby petition to change my voting record on the third reading of Engrossed Senate Bill 175, Roll Call 361, on March 31, 2005. In support of this petition, I submit the following reason:

"I was present and in my seat but failed to register my vote in a timely manner. I intended to vote yea."

BURTON

There being a constitutional majority voting in favor of the petition, the petition was adopted. [*Journal Clerk's note: this changes the vote tally for Roll Call 361 to 93 yeas, 0 nays.*]

PETITION TO CHANGE VOTING RECORD

Mr. Speaker: Pursuant to House Rule 75, I hereby petition to change my voting record on Representative Kersey's second reading amendment to Engrossed Senate Bill 202 (202–1), Roll Call 334, on March 29, 2005. In support of this petition, I submit the following reason:

"I was present but was unable to reach my seat in time to vote. I intended to vote nay."

J. LUTZ

There being a constitutional majority voting in favor of the petition, the petition was adopted. [*Journal Clerk's note: this changes the vote tally for Roll Call 334 to 46 yeas, 48 nays.*]

PETITION TO CHANGE VOTING RECORD

Mr. Speaker: Pursuant to House Rule 75, I hereby petition to change my voting record on the committee report on Engrossed Senate Bill 281, Roll Call 337, on March 29, 2005. In support of this petition, I submit the following reason:

"The yea button at my seat was inadvertently pushed. I intended to vote nay."

BUDAK

There being a constitutional majority voting in favor of the petition, the petition was adopted. [*Journal Clerk's note: this changes the vote tally for Roll Call 337 to 49 yeas, 45 nays.*]

PETITION TO CHANGE VOTING RECORD

Mr. Speaker: Pursuant to House Rule 75, I hereby petition to change my voting record on the third reading of Engrossed Senate Bill 303, Roll Call 365, on March 31, 2005. In support of this petition, I submit the following reason:

"I was present and in my seat, but when I attempted to vote, the machine had closed. I intended to vote yea."

MAYS

There being a constitutional majority voting in favor of the petition, the petition was adopted. [*Journal Clerk's note: this changes the vote tally for Roll Call 365 to 91 yeas, 0 nays.*]

PETITION TO CHANGE VOTING RECORD

Mr. Speaker: Pursuant to House Rule 75, I hereby petition to change my voting record on the third reading of Engrossed Senate Bill 304, Roll Call 366, on March 31, 2005. In support of this petition, I submit the following reason:

"I was present and in the Chamber, but when I attempted to vote, the machine had closed. I intended to vote yeas."

HOY

There being a constitutional majority voting in favor of the petition, the petition was adopted.

PETITION TO CHANGE VOTING RECORD

Mr. Speaker: Pursuant to House Rule 75, I hereby petition to

change my voting record on the third reading of Engrossed Senate Bill 304, Roll Call 366, on March 31, 2005. In support of this petition, I submit the following reason:

"I was present and in the Chamber, but when I attempted to vote, the machine had closed. I intended to vote yea."

RESKE

There being a constitutional majority voting in favor of the petition, the petition was adopted. [*Journal Clerk's note: adoption of the petitions of Representatives Hoy and Reske changes the vote tally for Roll Call 366 to 92 yeas, 0 nays.*]

PETITION TO CHANGE VOTING RECORD

Mr. Speaker: Pursuant to House Rule 75, I hereby petition to change my voting record on the third reading of Engrossed Senate Bill 432, Roll Call 369, on March 31, 2005. In support of this petition, I submit the following reason:

"I was present but was unable to reach my seat in time to vote. I intended to vote yea."

WALORSKI

There being a constitutional majority voting in favor of the petition, the petition was adopted. [*Journal Clerk's note: this changes the vote tally for Roll Call 369 to 92 yeas, 0 nays.*]

PETITION TO CHANGE VOTING RECORD

Mr. Speaker: Pursuant to House Rule 75, I hereby petition to change my voting record on the third reading of Engrossed Senate Bill 481, Roll Call 372, on March 31, 2005. In support of this petition, I submit the following reason:

"I was present and in the Chamber, but when I attempted to vote, the machine had closed. I intended to vote yea."

AUSTIN

There being a constitutional majority voting in favor of the petition, the petition was adopted. [*Journal Clerk's note: this changes the vote tally for Roll Call 372 to 91 yeas, 0 nays.*]

PETITION TO CHANGE VOTING RECORD

Mr. Speaker: Pursuant to House Rule 75, I hereby petition to change my voting record on the third reading of Engrossed Senate Bill 513, Roll Call 375, on March 31, 2005. In support of this petition, I submit the following reason:

"I was present and in my seat, but when I attempted to vote the voting machine did not register my vote. I intended to vote yea."

J. SMITH

There being a constitutional majority voting in favor of the petition, the petition was adopted. [*Journal Clerk's note: this changes the vote tally for Roll Call 375 to 90 yeas, 0 nays.*]

PETITION TO CHANGE VOTING RECORD

Mr. Speaker: Pursuant to House Rule 75, I hereby petition to change my voting record on the ruling of the Chair concerning Engrossed Senate Bill 626, Roll Call 346, on March 31, 2005. In support of this petition, I submit the following reason:

"I was present and in my seat, but when I attempted to vote, I inadvertently pushed the yea button when I intended to vote nay."

GOODIN

There being a constitutional majority voting in favor of the petition, the petition was adopted. [*Journal Clerk's note: this changes the vote tally for Roll Call 346 to 43 yeas, 48 nays.*]

HOUSE MOTION

Mr. Speaker: I move that Representatives Walorski, Heim, and Moses be added as cosponsors of Engrossed Senate Bill 49.

KOCH

Motion prevailed.

HOUSE MOTION

Mr. Speaker: I move that Representatives Ayres and Turner be added as cosponsors of Engrossed Senate Bill 202.

BUELL

Motion prevailed.

HOUSE MOTION

Mr. Speaker: I move that Representative Stutzman be added as cosponsor of Engrossed Senate Bill 278.

ESPICH

Motion prevailed.

HOUSE MOTION

Mr. Speaker: I move that Representatives Duncan and Alderman be removed as sponsor and cosponsor of Engrossed Senate Bill 382, Representative Alderman be substituted as sponsor, and Representative Duncan be added as cosponsor.

DUNCAN

Motion prevailed.

HOUSE MOTION

Mr. Speaker: I move that Representative Heim be added as cosponsor of Engrossed Senate Bill 571.

KOCH

Motion prevailed.

HOUSE MOTION

Mr. Speaker: I move that Representative Ruppel be added as coauthor of House Resolution 31.

NOE

Motion prevailed.

Pursuant to House Rule 60, committee meetings were announced.

On the motion of Representative Dvorak, the House adjourned at 6:50 p.m., this thirty-first day of March, 2005, until Monday, April 4, 2005, at 1:30 p.m.

BRIAN C. BOSMA
Speaker of the House of Representatives

M. CAROLINE SPOTTS
Principal Clerk of the House of Representatives