



Journal of the House

State of Indiana

111th General Assembly

Second Regular Session

Eighth Meeting Day

Wednesday Morning

January 12, 2000

The House convened at 10:00 a.m. with the Speaker in the Chair.

The invocation was offered by Pastor Paul D. Vogt, Seventh Day Adventist Church, West Lafayette, the guest of Representative Sue W. Scholer.

The Pledge of Allegiance to the Flag was led by Representative Ralph D. Ayres.

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

T. Adams	Kromkowski
Alderman	Kruse
Atterholt	Kruzan
Avery	Kuzman
Ayres	Lawson
Bailey	Leuck
Bardon	Liggett
Bauer	Linder
Becker	J. Lutz
Behning	Lytle
Bischoff	Mahern
Bodiker	Mangus
Bosma	Mannweiler
Bottorff	McClain
C. Brown	Mellinger
T. Brown	Mock
Buck	Moses
Budak	Munson U
Buell	Murphy
Burton	Oxley
Cheney	Pelath
Cherry	Pond
Cochran	Porter
Cook	Richardson
Crawford	Ripley
Crooks	Robertson
Crosby	Ruppel
Day	Saunders
Denbo	Scholer
Dickinson	M. Smith
Dillon	V. Smith
Dobis	Steele
Dumezich	Stevenson
Duncan	Stilwell
Dvorak	Sturtz
Espich	Summers
Foley	Thompson
Frenz	Tincher
Friend	Torr
Frizzell	Turner
Fry	Ulmer
GiaQuinta	Villalpando
Goeglein	Weinzapfel
Grubb	Welch
Harris	Whetstone
Hasler	Wolkins
Herrell	D. Young
Hoffman	M. Young
Kersey	Yount
Klinker	Mr. Speaker

Roll Call 18: 99 present; 1 absent. The Speaker announced a quorum in attendance. [NOTE: • indicates those who were excused.]

HOUSE MOTION

Mr. Speaker: I move that we dispense with the reading of the Journal.

FRY

Motion prevailed.

HOUSE MOTION

Mr. Speaker: I move that when we do adjourn, we adjourn until Thursday, January 13, 2000, at 1:00 p.m.

MELLINGER

Motion prevailed.

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the Senate has passed House Concurrent Resolutions 7 and 8 and the same are herewith returned to the House.

CAROLYN J. TINKLE
Secretary of the Senate

COMMITTEE REPORT

Mr. Speaker: Your Committee appointed to transmit to the Senate a resolution of this House to convene a joint convention of the two houses to receive the Governor's message, hereby reports that it has discharged the duty assigned to it and that the Senate has concurred in the House resolution and will meet the House in joint convention in the Chambers of the House of Representatives, at 7:00 p.m. on January 12, 2000, for the purpose of receiving the Governor's message.

SUMMERS
WEINZAPFEL

DUNCAN
HOFFMAN

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee appointed to transmit to the Senate a resolution of this House convening a joint convention of the two houses to receive the Chief Justice's message, hereby reports that it has discharged the duty assigned to it and that the Senate has concurred in the House resolution and will meet the House in joint convention in the Chambers of the House of Representatives, at 1:00 p.m. on January 13, 2000, for the purpose of receiving the Chief Justice's message.

L. LAWSON
KUZMAN

RICHARDSON
SCHOLER

Report adopted.

OTHER BUSINESS ON THE SPEAKER'S TABLE

HOUSE MOTION

Mr. Speaker: I move that House Rule 106.1 be suspended for the purpose of adding more than three coauthors and that Representatives T. Adams, Bardon, Friend, GiaQuinta, L. Lawson, Mock, Sturtz, and Welch be added as coauthors of House Bill 1026

HERRELL

The motion, having been seconded by a constitutional majority and carried by a two-thirds vote of the members, prevailed.

HOUSE MOTION

Mr. Speaker: I move that House Rule 106.1 be suspended for the purpose of adding more than three coauthors and that and that Representatives Kruse, M. Young, Mock, Turner, Friend, Atterholt, Ruppel, Mannweiler, Welch, T. Adams, Denbo, Espich, and Herrell be added as coauthors of House Bill 1044

ULMER

The motion, having been seconded by a constitutional majority and carried by a two-thirds vote of the members, prevailed.

HOUSE MOTION

Mr. Speaker: I move that House Rule 106.1 be suspended for the purpose of adding more than three coauthors and that and that Representatives Friend, Sturtz, Leuck, Mangus, Oxley, Lytle, Ripley, Grubb, and M. Smith be added as coauthors of House Bill 1118

CHERRY

The motion, having been seconded by a constitutional majority and carried by a two-thirds vote of the members, prevailed.

HOUSE MOTION

Mr. Speaker: I move that Representative Buell be added as coauthor of House Bill 1352.

CRAWFORD

Motion prevailed.

HOUSE MOTION

Mr. Speaker: I move that Representative Mahern be added as coauthor of House Bill 1361.

T. BROWN

Motion prevailed.

HOUSE MOTION

Mr. Speaker: I move that Representative Welch be added as coauthor of House Bill 1362.

T. BROWN

Motion prevailed.

HOUSE MOTION

Mr. Speaker: I move that House Rule 106.1 be suspended for the purpose of adding more than three coauthors and that and that Representatives Hasler, Kuzman, Ruppel, and Budak be added as coauthors of House Bill 1402

AYRES

The motion, having been seconded by a constitutional majority and carried by a two-thirds vote of the members, prevailed.

Pursuant to House Rule 60, committee meetings were announced.

The House recessed until the fall of the gavel.

RECESS

The House reconvened at 7:00 p.m. with the Speaker in the Chair.

The Speaker introduced the honored guests as follows: Judy O'Bannon, wife of Governor O'Bannon; Jennifer O'Bannon, daughter of Governor and Mrs. O'Bannon; Asher O'Bannon Reed, grandson of Governor and Mrs. O'Bannon; Jonathan O'Bannon, son of Governor and Mrs. O'Bannon; Soni O'Bannon, daughter-in-law of Governor and Mrs. O'Bannon; Polly Zoeller, daughter of Governor and Mrs. O'Bannon; Tom Zoeller, son-in-law of Governor and Mrs. O'Bannon; Demi Zoeller, granddaughter of Governor and Mrs. O'Bannon; Chelsea Zoeller, granddaughter of Governor and Mrs. O'Bannon; Beau Zoeller, grandson of Governor and Mrs. O'Bannon; Maggie Kernan, wife of Lieutenant Governor Joseph Kernan; Amy McDonell, wife of Chief Justice Randall Shepard; Governor Robert

Orr; Dr. Suellen Reed, Superintendent of Public Instruction; Secretary of State Sue Anne Gilroy and her husband, Dick Gilroy; Treasurer of State Tim Berry and his wife, Kim Berry; Auditor of State Connie Nass and her guest Bill Lantz; Congressman Baron Hill, the guest of Governor and Mrs. O'Bannon; Justice Theodore Boehm; Justice Brent Dickson and his wife, Jan Aikman Dickson; Justice Frank Sullivan, Jr. and his wife, Cheryl Sullivan; Judge John Baker and his wife, Peggy Baker; Judge Carr Darden and his wife, Lundy Darden; Judge Mark Bailey and his wife, Judy Wright; Judge William Garrard; Judge Edward Najam; Judge James Kirsch; Judge Patricia Riley; Judge Margaret Robb; Judge Thomas Fisher; Clerk of the Supreme and Appellate Courts Brian Bishop and his wife Annette Bishop; Lieutenant Governor Joseph Kernan; Chief Justice Randall Shepard; Chief Judge John Sharpnack. The Speaker also introduced special guests of Governor and Mrs. O'Bannon: Eldon Leedy, his wife Betty and their friend Randy White; Randy and Maria Bulthuis and their mother Marilyn Bulthuis and their children Antonio, Lucas, Maria, Marilyn and Ryan; Tyrell Foard and his parents Theresa and Maurice Bronaugh; Finis Springer and her guest Nadine McDowell; Jill Snyder and her husband, Ed Snyder; and Mike Winter.

The Speaker yielded the gavel to Lieutenant Governor Joseph Kernan, President of the Senate, who called the joint session to order and presented the Governor as follows:

"Members of the Joint Assembly: Pursuant to Section 13 of Article 5 of the Indiana Constitution, this joint convention of the two houses of the Indiana General Assembly is now convened for the purpose of hearing a message from the Governor of the State of Indiana.

Ladies and Gentlemen of the House and Senate, and distinguished guests, I have the high honor and distinct privilege of presenting to you the Governor of the State of Indiana, the Honorable Frank L. O'Bannon."

Governor O'Bannon was escorted to the rostrum by Representatives Sturtz, C. Brown, Saunders, and Domezich and Senators Mills, Skillman, Washington, and Craycraft.

State of the State

Good evening fellow Hoosiers, colleagues, and friends. Speaker Gregg, Senator Garton, Representative Mannweiler, Senator Young, Chief Justice Shepard, and Chief Judge Sharpnack, leaders all, thank you for hosting me in this joint session.

It is always a special pleasure to have with us former Governor Bob Orr. He continues to serve this state when called on. We thank you, Bob.

And a special thanks to our Lt. Governor, my friend and partner Joe Kernan. Joe, your leadership on economic development and your wise counsel have been invaluable to me.

To members of the General Assembly—all—a special thanks for your excellent work last November. In those first six days of this session, you passed seven bills, all of which were important to the state of Indiana. I applaud your leadership, and your dedication.

We serve at a fortunate time. Our state is in a period of remarkable growth and opportunity, with the notable exception of our great agricultural sector. In the past eleven years, over 550,000 new jobs have been created by Indiana businesses. Our manufacturing remains strong, while most other states are losing ground. Since late December, we have been delighted to welcome new expansion projects by Toyota and AM General, creating more than 3,500 jobs.

But we need more than manufacturing to compete, and our technology sector is growing. For example, I am pleased to announce that Virtual Financial Services, a national leader in Internet banking, has just decided to grow in Indiana, rather than pull up roots for Missouri. That's 400 jobs. And just today, Mayor John Fernandez announced that a Chicago Internet firm will be bringing 100 new jobs to Bloomington.

Overall, the number of Hoosiers working is at an all-time high, while Indiana continues to lead the nation in moving from welfare to work. The median income of Hoosier families continues to climb—a remarkable increase of twenty percent since 1990—nearly five times the national rate.

Tonight we come together for the first time in the new Millennium. In Indiana, we've marked this milestone by translating the Hoosier values of family, faith and community, into action.

Over the past two years, through the Hoosier Millennium initiative chaired by my wife Judy, more than 155 communities have mounted local efforts. In Scottsburg, people constructed a building in one day to help store food for the needy. In Aurora, neighbors are helping neighbors renovate a former high school into apartments for the elderly and a gym for everybody. And Warren Township in Indianapolis has organized a leadership retreat for local youth. All translating Hoosier values into action.

In that spirit, I put my vision for Indiana's future before you tonight. This is a period of dynamic and rapid change. At this exciting time, I ask you to look forward to Indiana's bicentennial. We must ask ourselves what we can do today to create the strongest possible future in this new economy for the first generation of the new millennium. We have only sixteen years to our 200th birthday—and there is much to do!

Remember that we've already touched the lives of the high school graduating class of 2016. They were our first Building Bright Beginnings babies two years ago. Even before they left the hospital, their parents received an information packet based on new brain research. It let them know that simple things like reading aloud can actually expand their children's capacity to learn.

Sixty-nine percent of Hoosier children under six have working parents. And many of them are smarter childcare consumers thanks to a statewide educational campaign that is part of "Building Bright Beginnings." And many two-year-olds are among the 114,000 children who now have Hoosier Healthwise insurance coverage.

Career opportunities for the high school class of 2016 will also be shaped by action we take now. Just as the automobile transformed our economy at the beginning of the 20th century, information technology and the Internet are shaping our economic future today. In just the past two years, Indiana's emerging information technology sector has grown a remarkable 77 percent. It has become a \$6.5 billion Hoosier industry, employing some 41,000 people. This gives us a strong foundation to build on as we encourage the continued development of Indiana's new economy. Looking forward, there are five important areas I want to discuss tonight that will help us create the strongest possible future for the class of 2016.

First, we need to do even more to encourage Indiana companies to integrate information age technology into their everyday operations. To be competitive, our companies must use new technology, both internally and as a link with their suppliers and customers. It's estimated that the national Internet economy will reach \$2.8 trillion by 2003. For example, a business in California or France or India can now find an Indiana supplier on-line and place an order for some Hoosier goods or service in a matter of minutes.

I feel strongly that the State of Indiana needs to do everything it can to make this possible for *every* Hoosier business. The Department of Commerce is opening a new Division of e-business, and I pledge tonight that Joe Kernan and I will be personally involved in continuing to build Indiana's information age potential.

There are other things we will be doing to promote the continued development of Indiana's new economy. Our 21st Century Research and Technology Fund will be making its first, peer-reviewed investments this month. I hope you will pass legislation to make further changes in the State's research and development tax credit to encourage more R&D in Indiana. And I also ask your support for a bill to cut the insurance premium tax, to keep our insurance sector competitive.

Our world-class higher education institutions should give Indiana an enormous advantage in creating the jobs of the future. A prime example of this is Internet II, a new national network of high speed Internet connections. The Midwest hub of this ambitious undertaking is right here in Indianapolis, acting as a brain-magnet to bring some of the best information technology minds to Indiana.

Second, the new economy has infrastructure needs as urgent as new roads and rails were in the industrial age. Internet II will help make us a "Crossroads of America" for the information age. A variety of new high speed computer lines are currently being laid throughout the state. But we must make sure no part of Indiana is left behind. We will use our highway rights of way to install fiber optic technology statewide.

The third component of promoting Indiana's new economy is excellent schools and lifelong learning. Over the past three years, the General Assembly and Dr. Suellen Reed, our Superintendent of Public Instruction, have joined with me to take big steps in this area.

One of the great untold stories of 1999 is the way we have broke a long-time deadlock in education policymaking. How did we do it? The main catalyst for change was the legislation we passed last year to set concrete standards for our elementary and secondary schools, and to hold schools accountable for meeting those expectations.

Why does this step matter so much to school quality? Because over the past 15 years, we had enacted nearly 250 education "reform" policies in Indiana—all of which were well intentioned at the time. But this piecemeal approach has been far from successful: too many of our students are still falling behind. So last year we decided to do a top to bottom review of what was working, what wasn't working, what could be working better, and how to align our policies with our goals.

We've brought together business, educators and parents in what we've called an Education Roundtable. And thus far it has worked enormously well.

Everyone checked their preconceived notions at the door: business stopped criticizing teachers; teachers stopped being defensive; parents felt they had an opportunity to be heard. As a result, we now have published standards on which every school will be graded in annual "School Report Cards." Henceforth, all Hoosiers will know that 6th graders are going to be held accountable for knowing how to use graphs, while 8th graders must know how to use clauses and phrases in sentences. Finally, clear, unambiguous, and high standards.

The next bold steps in school improvement involve teacher training as well as full-day kindergarten. I look forward to putting that legislation before the General Assembly next year.

This year, we will be working toward another of my key education goals: making sure *every* student can read by third grade. I will encourage retired teachers back into the classroom as mentors to provide special help to those who need it. The Indiana Professional Standards Board will set up a database of interested, retired teachers and make it available to every school district.

As we focus on academic achievement, I want to make sure schools don't lose sight of some other things you have to learn growing up: That is, the life skills on which our society is based, like honesty, respect for others and respect for yourself, responsibility, and a commitment to resolve conflicts peaceably.

Schools in Lawrence Township, Anderson and Marion, to name just a few, are showing us how well this kind of character education can work. I have directed the State Professional Standards Board to make sure teachers receive adequate training in teaching character and life skills.

Finally, on education, I am very excited about two new developments that will open up careers for thousands of Hoosiers, as early as this year. The first is Cisco Academies, based mostly in high schools, which train students for two-year certificates as computer

technicians. Thanks to overwhelming demand for their skills, Cisco graduates have been able to find jobs paying over \$30,000 a year, right out of high school. By the end of the year, Indiana's Cisco Academies will be able to enroll 5,000 students.

And I hope you share my high hopes for our new community college system. In addition to their tremendous information age learning potential, community colleges are also a great resource for lifelong learning. As our jobs demand higher levels of skill—at age twenty-five or fifty-five—we need to be able to return to a classroom near where we live for affordable training that fits our needs and careers.

The fourth part of my plan to promote Indiana's new economy is to preserve our state as one of the best places on earth to live, work and raise a family. When one can telecommute to the office by fax and e-mail, quality of life becomes even more crucial to attracting good jobs. Our policies must promote the things we cherish about Indiana, the natural beauty, small town warmth, strong communities, and peace of mind that make it unique. And, make no mistake about it, any polluter that contaminates our rivers or befouls our air will be held accountable under the law. The severity of the fish kill in the White River—the worst in a generation—demonstrates the need for tougher penalties. In this session, I will propose a doubling of the fines for criminal environmental violations.

The fifth and final ingredient in providing the Class of 2016 with good jobs at good wages is keeping our State's fiscal house in order. According to a national study done last year, our \$1.3 billion reserve makes us one of a handful of states that could ride out an economic downturn without raising taxes or making deep cuts in education and other vital services.

This alone would make our business climate attractive, but on top of that we have enacted \$1.3 billion in tax cuts for Hoosier families and businesses since 1997, and have gone eleven years without a State tax increase. We all deserve credit for our fiscal restraint and protection of taxpayers. In fact, for the second time in three years a national rating agency has upgraded ratings on the State's bonds, an objective index of fiscal health. This should save Hoosier taxpayers millions of dollars. From both Wall Street and Main Street, we've won praise for our conservative fiscal management.

A recent court decision mandating substantial changes in our system of property tax assessment. Despite the State Board of Tax Commissioners' attempts to comply with the court order in a fair and timely manner, taxes were likely to have risen sharply for some homeowners. The hardship this would have imposed on many families around the state was simply unacceptable to me. In trying to comply with the court order in all good faith, local and state officials had already missed repeated deadlines. It just wasn't possible for local assessors to complete next year's assessment on schedule.

As a result, I suspended the Tax Board's work on the new reassessment last month. But the constitutional responsibility for property taxes rests with the General Assembly. Accordingly, I have put legislation before you this session to delay the reassessment by two years. In addition, my Taxpayer Protection Plan contains a \$225 million cut in taxes to offset assessment-related increases; we accomplish this by taking welfare off the property tax rolls. There are several other elements of the Taxpayer Protection Plan, including giving local governments more flexibility in their spending of local tax dollars. All are necessary to comply with the court decision, as well as to achieve our goals of fiscal prudence and fairness to Hoosier taxpayers.

This is the most important issue for Hoosier homeowners and businesses in this session, and I have been encouraged by recent public statements by members from both sides of the aisle. I urge you to act decisively and quickly.

So for the next few years, we will have our plates full as we get things ready for that high school graduating class of the Hoosier bicentennial. I am enthusiastic and optimistic about the world we're helping to shape for them.

Let me mention other important legislative items for this year. First among them is using Indiana's share of the Tobacco Settlement for two urgent public health needs. The first is helping to curb the epidemic of smoking among our young people. Every year, 32,000 young people in Indiana smoke their first cigarette. With comprehensive and intensive public education, we can prevent teens and preteens from becoming hooked.

The other urgent need we must tackle this year is prescription drugs for the elderly. It is common these days for older Hoosiers to spend several hundred dollars each month on medication. Or, instead, to use the money for food and heating oil and forego potentially lifesaving drugs. Older Hoosiers on limited incomes should never have to face that choice, and I urge you to enact a prescription drug benefit this year as part of the tobacco settlement.

I also believe workers compensation benefits are still too low to meet the real needs of those injured on the job. I urge you to pass increased workers compensation benefits in this session. In addition, we need an unemployment benefit increase and an unemployment tax cut. And I urge you to enact additional insurance consumer protections, including provisions that would help HMO consumers.

In closing, I'd like to thank you all. The spirit of bipartisanship that rules this General Assembly—most of the time—is a true example of Hoosier values in action. Time after time, I've seen us get past our differences to do the people's business—and do it well. Because whatever divides us—be it geography, party or ideology—is never as strong as what unites us, as Hoosiers: A shared belief in family, faith and community. Our conviction that opportunity and responsibility go hand in hand. And our knowledge that we can overcome even our biggest problems by working together.

Thank you.

The President of the Senate adjourned the joint session.

The House reconvened with the Speaker in the Chair.

On the motion of Representative Mangus the House adjourned at 8:01 p.m., this twelfth day of January, 2000, until Thursday, January 13, 2000, at 1:00 p.m.

JOHN R. GREGG
Speaker of the House of Representatives

LEE SMITH
Principal Clerk of the House of Representatives