



Journal of the House

State of Indiana

112th General Assembly

Second Regular Session

Twenty-second Meeting Day

Thursday Morning

February 21, 2002

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

The invocation was offered by Trooper Michael Shelton, a member of the State Police security detail for the House of Representatives, the guest of Speaker John R. Gregg..

The Pledge of Allegiance to the Flag was led by Representative Susan R. Crosby.

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

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

Roll Call 186: 97 present; 3 excused. The Speaker announced a quorum in attendance. [NOTE: ☐ indicates those who were excused.]

REPORTS FROM COMMITTEES

COMMITTEE REPORT

Mr. Speaker: Your Committee on Elections and Apportionment, to which was referred Engrossed Senate Bill 1, 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 12, nays 0.

MOSES, Vice Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Rules and Legislative Procedures, to which was referred Engrossed Senate Bill 29, 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 4-4-30 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]:

Chapter 30. Center for Coal Technology Research

Sec. 1. As used in this chapter, "center" refers to the center for coal technology research established by this chapter.

Sec. 2. As used in this chapter, "director" refers to the director of the department of commerce.

Sec. 3. As used in this chapter, "fund" refers to the coal technology research fund established by section 8 of this chapter.

Sec. 4. As used in this chapter, "Indiana coal" has the meaning set forth in IC 8-1-2-6.1.

Sec. 5. The center for coal technology research is established to perform the following duties:

(1) Develop technologies that can use Indiana coal in an environmentally and economically sound manner.

(2) Investigate the reuse of clean coal technology byproducts, including fly ash.

(3) Generate innovative research in the field of coal use.

(4) Develop new, efficient, and economical sorbents for effective control of emissions.

(5) Investigate ways to increase coal combustion efficiency.

(6) Develop materials that withstand higher combustion temperatures.

(7) Carry out any other matter concerning coal technology research as determined by the center.

Sec. 6. In carrying out its duties under this chapter, the center shall be located at Purdue University at West Lafayette and shall cooperate with and may use the resources of:

(1) Indiana University Geological Survey and other state educational institutions;

(2) a state or federal department or agency;

(3) a political subdivision; and

(4) interest groups representing business, environment, industry, science, and technology.

Sec. 7. To carry out the center's duties described in section 5 of this chapter, the director or the director's designee, acting on behalf of the center, may:

(1) organize the center in the manner necessary to implement this chapter;

(2) execute contractual agreements, including contracts for:

- (A) the operation of the center;
- (B) the performance of any of the duties described in section 5 of this chapter; and
- (C) any other services necessary to carry out this chapter;
- (3) receive money from any source for purposes of this chapter;
- (4) expend money for an activity appropriate to the purposes of this chapter;
- (5) execute agreements and cooperate with:
 - (A) Purdue University and other state educational institutions;
 - (B) a state or federal department or agency;
 - (C) a political subdivision; and
 - (D) interest groups representing business, the environment, industry, science, and technology; and
- (6) subject to the approval of the budget agency, employ personnel as necessary for the efficient administration of this chapter.

Sec. 8. (a) The coal technology research fund is established to provide money for the center for coal technology research and for the director to carry out the duties specified under this chapter. The budget agency shall administer the fund.

(b) The fund consists of the following:

- (1) Money appropriated by the general assembly.
- (2) Gifts, grants, and bequests.

(c) The treasurer of state shall invest the money in the fund not currently needed to meet the obligations of the fund in the same manner as the treasurer may invest other public funds.

(d) Money in the fund at the end of a state fiscal year does not revert to the state general fund.

SECTION 2. IC 4-23-5.5-16 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 16. (a) The Indiana coal research grant fund is established for the purpose of providing grants for research and other projects designed to develop and expand markets for Indiana coal. The fund shall be administered by the board.

(b) Sources of money for the fund consist of the following:

- (1) Appropriations from the general assembly.
- (2) Donations, gifts, and money received from any other source, including transfers from other funds or accounts.

(c) Money remaining in the fund at the end of a state fiscal year does not revert to the state general fund.

(d) The treasurer of state shall invest the money in the fund not currently needed to meet the obligations of the fund in the same manner as other public funds may be invested. Interest that accrues from these investments shall be deposited in the fund.

(e) The board shall establish:

- (1) amounts for grants under this section; and
- (2) criteria for awarding grants under this section.

(f) A person, business, or manufacturer that wants a grant from the fund must file an application in the manner prescribed by the board.

(g) The department shall pursue available private and public sources of money for the fund.

SECTION 3. IC 8-1-2-6.1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 6.1. (a) As used in this section, "clean coal technology" means a technology (including precombustion treatment of coal):

- (1) that is used at a new or existing electric generating facility and directly or indirectly reduces airborne emissions of sulfur or nitrogen based pollutants associated with the combustion or use of coal; and
- (2) that either:

- (A) is not in general commercial use at the same or greater scale in new or existing facilities in the United States as of January 1, 1989; or
- (B) has been selected by the United States Department of Energy for funding under its Innovative Clean Coal Technology program and is finally approved for such funding on or after January 1, 1989.

(b) As used in this section, "Indiana coal" means coal from a mine whose coal deposits are located in the ground wholly or partially in

Indiana regardless of the location of the mine's tittle.

(c) Except as provided in subsection (d), the commission shall allow a utility to recover as operating expenses those expenses associated with:

- (1) research and development designed to increase use of Indiana coal; and

- (2) preconstruction costs (including design and engineering costs) associated with employing clean coal technology at a new or existing coal burning electric generating facility if the commission finds that the facility:

- (A) utilizes and will continue to utilize (as its primary fuel source) Indiana coal; or
- (B) is justified, because of economic considerations or governmental requirements, in utilizing non-Indiana coal; after the technology is in place.

(d) The commission may only allow a utility to recover preconstruction costs as operating expenses on a particular project if the commission awarded a certificate under IC 8-1-8.7 for that project.

(e) The commission shall establish guidelines for determining recoverable expenses.

(f) The commission has jurisdiction over transactions involving the purchase of clean coal technology from third parties, including the purchase of precombustion coal treated by gasification. The commission's jurisdiction includes the authority to review the terms of a transaction and determine whether the transaction is in the public interest."

Page 2, line 36, delete "," and insert "that are fueled primarily by coal or gases from coal from the geologic formation known as the Illinois Basin,".

Page 2, delete line 38.

Page 3, line 1, delete "has the" and insert "means a technology (including precombustion treatment of coal):"

- (1) that is used in a new or existing electric generating facility and directly or indirectly reduces airborne emissions of sulfur, mercury, or nitrogen oxides or other regulated air emissions associated with the combustion or use of coal; and

(2) that either:

- (A) is not in general commercial use at the same or greater scale in new or existing facilities in the United States as of January 1, 1989; or
- (B) has been selected by the United States Department of Energy for funding under its Innovative Clean Coal Technology program and is finally approved for such funding on or after January 1, 1989."

Page 3, delete line 2.

Page 3, line 13, delete ", repower, or acquire" and insert "**or repower**".

Page 3, line 15, delete ", repower, or acquire" and insert "**or repower**".

Page 3, line 16, after "2(1)" insert "**or 2(2)**".

Page 3, between lines 23 and 24, begin a new line block indented and insert:

"(1) The facility is fueled primarily by coal or gases from coal from the geologic formation known as the Illinois Basin."

Page 3, line 24, delete "(1)" and insert "**(2)**".

Page 3, line 25, delete ", newly repowered, or newly" and insert "**or newly repowered**".

Page 3, line 26, delete "acquired".

Page 3, line 30, delete "(2) The acquisition," and insert "**(3) The**".

Page 3, line 31, delete "completed" and insert "**begun**".

Page 3, line 32, delete "2001" and insert "**2002**".

Page 3, line 38, delete "that transfers energy from points of supply to points of" and insert "**employed specifically to serve a new energy generating facility.**".

Page 3, delete line 39.

Page 4, line 22, delete ":" and insert "**, if the projects are found to be in the public interest, convenience, and necessity:**".

Page 4, line 24, after "2(1)" insert "**or 2(2)**".

Page 4, line 27, delete "overall rate of return" and insert "**return**".

on shareholder equity".

Page 5, line 1, after "shall" insert ", after notice and hearing,".

Page 5, line 3, delete "ninety (90) days after the date of the application." and insert **"one hundred eighty (180) days after the date of the application, unless the commission finds that the applicant has not cooperated fully in the proceeding."**

Page 5, line 7, delete "acquisition,".

Page 5, line 8, delete "." and insert ", in place of the normal allowance for funds used during construction (AFUDC) recovery."

Page 5, line 15, delete "acquisition,".

Page 5, line 26, delete "." and insert **"and the generation capacity is needed."**

Page 5, line 31, delete "." and insert **"and in the public interest."**

Page 6, between lines 12 and 13, begin a new paragraph and insert:

"Sec. 15. If any part of this chapter is found to be unlawful, the commission shall annually review any project approved under this chapter to determine that the project continues to be:
(1) in the public interest, convenience, and necessity; and
(2) consistent with the commission's findings in the order initially approving incentives under this chapter."

Renumber all SECTIONS consecutively.

(Reference is to SB 29 as reprinted February 5, 2002.)

and when so amended that said bill do pass.

Committee Vote: yeas 7, nays 3.

MOSES, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Agriculture, Natural Resources and Rural Development, to which was referred Engrossed Senate Bill 43, 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 12, nays 0.

LYTLE, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Judiciary, to which was referred Engrossed Senate Bill 57, 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 7, line 40, delete "1(b)" and insert **"1(a)"**.

Page 27, line 12, delete "TOD" and insert **"T.O.D."**.

Page 27, line 13, delete "POD" and insert **"P.O.D."**.

Page 27, line 16, delete "TOD" and insert **"T.O.D."**.

Page 29, line 27, delete "TOD (or POD)" and insert **"T.O.D. (or P.O.D.)"**.

Page 29, line 30, delete "TOD" and insert **"T.O.D."**.

Page 29, line 33, delete "TOD" and insert **"T.O.D."**.

Page 29, line 34, delete "; or" and insert ".".

Page 29, line 35, delete "TOD" and insert **"T.O.D."**.

Page 70, delete lines 10 through 13, begin a new paragraph and insert:

"Sec. 10. A recorder of deeds shall keep a book having each page divided into five (5) columns that are headed as follows:

Date of Reception. Names of Grantors. Names of Grantees. Description of Land. Vol. and Page Where Recorded."

Page 79, line 14, after "_____ " insert ")".

Page 79, delete line 15.

Page 104, line 25, delete "as provided in section 1 of this chapter,".

Page 129, line 14, begin a new line blocked left beginning with "and".

Page 131, line 25, delete "filing".

Page 131, line 25, delete "." and insert **"is filed."**

Page 133, line 9, delete "." and insert ";".

Page 160, line 12, after "(b)" delete "the" and insert **"The"**.

Page 189, line 4, delete "or".

Page 190, line 8, delete ":" and insert **"a:"**.

Page 190, line 9, delete "a".

Page 190, line 27, delete "contract:" and insert **"contract"**.

Page 202, line 12, delete "shall" and insert **"may"**.

Page 207, line 35, delete "a".

Page 209, line 1, after "If" insert ":".

Page 218, line 18, delete "attorney in fact;" and insert **"attorney-in-fact;"**.

Page 220, line 21, delete "service," and insert **"servicer,"**.

Page 220, line 38, delete "service" and insert **"servicer"**.

Page 223, line 28, delete "(Foreclosure)Redemption," and insert **"Foreclosure-Redemption,"**.

Page 227, line 8, delete "(8)".

Page 227, line 8, after "percent" insert **"(8%)"**.

Page 285, line 4, delete "Time Shares and Camping Clubs" and insert **"TIME SHARES AND CAMPING CLUBS"**.

Page 379, line 30, delete "IC 25-5.2-1-1)" and insert **"IC 25-5.2-1-2)"**.

Page 430, delete lines 10 through 22.

Page 446, line 36, strike "state board of tax commissioners" and insert **"department of local government finance"**.

Page 446, line 37, strike "state board".

Page 446, line 38, strike "of tax commissioners" and insert **"department of local government finance"**.

Renumber all SECTIONS consecutively.

(Reference is to SB 57 as printed February 1, 2002.)

and when so amended that said bill do pass.

Committee Vote: yeas 10, nays 0.

STURTZ, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Public Policy, Ethics and Veterans Affairs, to which was referred Engrossed Senate Bill 59, 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.

KUZMAN, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Public Policy, Ethics and Veterans Affairs, to which was referred Engrossed Senate Bill 60, 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 12, nays 0.

KUZMAN, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Labor and Employment, to which was referred Engrossed Senate Bill 71, 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, strike lines 9 through 15.

Page 1, line 16, strike "(3) is operated by a nonprofit".

Page 1, line 16, delete "entity," and insert **"entity:"**.

Page 1, line 16, delete "a municipality (as defined)".

Page 1, delete line 17.

Page 1, line 18, strike "(c)" and insert **"(b)"**.

Page 2, between lines 7 and 8, begin a new paragraph and insert:

"SECTION 2. IC 20-8.1-4-25.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 25.5. (a) This section does not

provide an exception to the hours a child is permitted to work under section 20 of this chapter.

(b) It is unlawful for a person, firm, limited liability company, or corporation to permit a child who is:

- (1) less than eighteen (18) years of age; and**
- (2) employed by the person, firm, limited liability company, or corporation;**

to work after 10 p.m. and before 6 a.m. in an establishment that is open to the public unless another employee at least eighteen (18) years of age also works in the establishment during the same hours as the child.

SECTION 3. IC 20-8.1-4-31, AS AMENDED BY P.L.122-2001, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 31. (a) A person, firm, limited liability company, or corporation that violates this chapter may be assessed the following civil penalties by the department of labor:

(1) For an employment certificate violation under section 1 or 13 of this chapter, the following:

(A) A warning letter for any violations identified during an initial inspection.

(B) Fifty dollars (\$50) per instance for a second violation identified in a subsequent inspection.

(C) Seventy-five dollars (\$75) per instance for a third violation that is identified in a subsequent inspection.

(D) One hundred dollars (\$100) per instance for a fourth or subsequent violation that:

(i) is identified in an inspection subsequent to the inspection under clause (C); and

(ii) occurs not more than two (2) years after a prior violation.

(2) For a posting violation under section 23 of this chapter, the following:

(A) A warning letter for any violations identified during an initial inspection.

(B) Fifty dollars (\$50) per instance for each violation identified in a subsequent inspection.

(C) Seventy-five dollars (\$75) per instance for a third violation that is identified in a subsequent inspection.

(D) One hundred dollars (\$100) per instance for a fourth or subsequent violation that:

(i) is identified in an inspection subsequent to the inspection under clause (C); and

(ii) occurs not more than two (2) years after a prior violation.

(3) For a termination notice violation under section 11 of this chapter, the following:

(A) A warning letter for any violations identified during an initial inspection.

(B) Fifty dollars (\$50) per instance for each violation identified in a subsequent inspection.

(C) Seventy-five dollars (\$75) per instance for a third violation that is identified in a subsequent inspection.

(D) One hundred dollars (\$100) per instance for a fourth or subsequent violation that:

(i) is identified in an inspection subsequent to the inspection under clause (C); and

(ii) occurs not more than two (2) years after a prior violation.

(4) For an hour violation of not more than thirty (30) minutes under section 20 of this chapter, the following:

(A) A warning letter for any violations identified during an initial inspection.

(B) Fifty dollars (\$50) per instance for each violation identified in a subsequent inspection.

(C) Seventy-five dollars (\$75) per instance for a third violation that is identified in a subsequent inspection.

(D) One hundred dollars (\$100) per instance for a fourth or subsequent violation that:

(i) is identified in an inspection subsequent to the inspection under clause (C); and

(ii) occurs not more than two (2) years after a prior violation.

(5) For an hour violation of more than thirty (30) minutes under section 20 of this chapter, the following:

(A) A warning letter for any violations identified during an initial inspection.

(B) One hundred dollars (\$100) per instance for each violation identified in a subsequent inspection.

(C) Two hundred dollars (\$200) per instance for a third violation that is identified in a subsequent inspection.

(D) Four hundred dollars (\$400) per instance for a fourth or subsequent violation that:

(i) is identified in an inspection subsequent to the inspection under clause (C); and

(ii) occurs not more than two (2) years after a prior violation.

(6) For a hazardous occupation violation under section 25 or 25.5 of this chapter, the following:

(A) A warning letter for any violations identified during an initial inspection.

(B) One hundred dollars (\$100) per instance for each violation identified in a subsequent inspection.

(C) Two hundred dollars (\$200) per instance for a third violation that is identified in a subsequent inspection.

(D) Four hundred dollars (\$400) per instance for a fourth or subsequent violation that:

(i) is identified in an inspection subsequent to the inspection under clause (C); and

(ii) occurs not more than two (2) years after a prior violation.

(7) For an age violation under section 21 or 21.5 of this chapter, the following:

(A) A warning letter for any violations identified during an initial inspection.

(B) One hundred dollars (\$100) per instance for each violation identified in a subsequent inspection.

(C) Two hundred dollars (\$200) per instance for a third violation that is identified in a subsequent inspection.

(D) Four hundred dollars (\$400) per instance for a fourth or subsequent violation that:

(i) is identified in an inspection subsequent to the inspection under clause (C); and

(ii) occurs not more than two (2) years after a prior violation.

(8) For each minor employed in violation of section 21(b) of this chapter, the following:

(A) A warning letter for any violations identified during an initial inspection.

(B) One hundred dollars (\$100) per instance for each violation identified in a subsequent inspection.

(C) Two hundred dollars (\$200) per instance for a third violation that is identified in a subsequent inspection.

(D) Four hundred dollars (\$400) per instance for a fourth or subsequent violation that:

(i) is identified in an inspection subsequent to the inspection under clause (C); and

(ii) occurs not more than two (2) years after a prior violation.

(9) For each violation of section 20.5 of this chapter, the following:

(A) A warning letter for any violations identified during an initial inspection.

(B) One hundred dollars (\$100) per instance for each violation identified in a subsequent inspection.

(C) Two hundred dollars (\$200) per instance for a third violation that is identified in a subsequent inspection.

(D) Four hundred dollars (\$400) per instance for a fourth or subsequent violation that:

(i) is identified in an inspection subsequent to the inspection under clause (C); and

(ii) occurs not more than two (2) years after a prior violation.

(b) A civil penalty assessed under subsection (a):

(1) is subject to IC 4-21.5-3-6; and

(2) becomes effective without a proceeding under IC 4-21.5-3 unless a person requests an administrative review not later than

thirty (30) days after notice of the assessment is given.

(c) For purposes of determining whether a second violation has occurred when assessing a civil penalty under subsection (a), a first violation expires one (1) year after the date of issuance of a warning letter by the department of labor under subsection (a).

(d) For purposes of determining recurring violations of this section, each location of an employer shall be considered separate and distinct from another location of the same employer.

(e) There is established an employment of youth fund for the purpose of educating affected parties on the purposes and contents of this chapter and the responsibilities of all parties under this chapter. One-half (1/2) of the fund each year shall be used for the purpose of the education provision of this subsection. This portion of the fund may be used to award grants to provide educational programs. The remaining one-half (1/2) of the fund shall be used each year for the expenses of hiring and salaries of additional inspectors to enforce this chapter under section 29 of this chapter. All inspectors hired to enforce this chapter shall also be available to educate affected parties on the purposes and contents of this chapter and the responsibilities of all parties under this chapter. The fund shall be administered by the department of labor. The expenses of administering the fund shall be paid from money in the fund. The treasurer of state shall invest the money in the fund not currently needed to meet the obligations of the fund in the same manner as other public funds may be invested. Interest that accrues from these investments shall be deposited in the fund. Money in the fund at the end of a state fiscal year does not revert to the state general fund. Revenue received from civil penalties under this section shall be deposited in the employment of youth fund.

SECTION 4. IC 22-3-2-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 2. (a) Every employer and every employee, except as stated in IC 22-3-2 through IC 22-3-6, shall comply with the provisions of IC 22-3-2 through IC 22-3-6 respectively to pay and accept compensation for personal injury or death by accident arising out of and in the course of the employment, and shall be bound thereby, **except as provided in section 2.6 of this chapter.**

(b) IC 22-3-2 through IC 22-3-6 does not apply to railroad employees engaged in train service as:

- (1) engineers;
- (2) firemen;
- (3) conductors;
- (4) brakemen;
- (5) flagmen;
- (6) baggagemen; or
- (7) foremen in charge of yard engines and helpers assigned thereto.

(c) IC 22-3-2 through IC 22-3-6 does not apply to employees of municipal corporations in Indiana who are members of:

- (1) the fire department or police department of any such municipality; and
- (2) a firefighters' pension fund or of a police officers' pension fund.

However, if the common council elects to purchase and procure worker's compensation insurance to insure said employees with respect to medical benefits under IC 22-3-2 through IC 22-3-6, the medical provisions of IC 22-3-2 through IC 22-3-6 apply to members of the fire department or police department of any such municipal corporation who are also members of a firefighters' pension fund or a police officers' pension fund.

(d) When any municipal corporation purchases or procures worker's compensation insurance covering members of the fire department or police department who are also members of a firefighters' pension fund or a police officers' pension fund, and pays the premium or premiums for such insurance, the payment of such premiums is a legal and allowable expenditure of funds of any municipal corporation.

(e) Except as provided in subsection (f), where the common council has procured worker's compensation insurance under this section, any member of such fire department or police department employed in the city carrying such worker's compensation insurance under this section is limited to recovery of medical and surgical care,

medicines, laboratory, curative and palliative agents and means, x-ray, diagnostic and therapeutic services to the extent that such services are provided for in the worker's compensation policy procured by such city, and shall not also recover in addition to that policy for such same benefits provided in IC 36-8-4.

(f) If the medical benefits provided under a worker's compensation policy procured by the common council terminate for any reason before the police officer or firefighter is fully recovered, the common council shall provide medical benefits that are necessary until the police officer or firefighter is no longer in need of medical care.

(g) The provisions of IC 22-3-2 through IC 22-3-6 apply to:

- (1) members of the Indiana general assembly; and
- (2) field examiners of the state board of accounts.

SECTION 5. IC 22-3-2-2.6 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: **Sec. 2.6. (a) In addition to section 2 of this chapter, in the event of a terrorist attack (as determined by the worker's compensation board) every employer shall pay and every employee shall accept compensation for injury or death occurring while:**

(1) the employee was engaged in the duties of employment at the time of the terrorist attack; or

(2) the employee was traveling to or from the place of employment whether or not during working hours, and:

(A) had reached the employer's premises;

(B) had reached the area where the employee parks a motor vehicle; or

(C) was in such close proximity to the place of employment as to be injured or killed as a result of a terrorist attack that directly involved the employer's premises or adjacent areas, including, but not limited to, adjacent travel routes and parking garages.

(b) Section 2 of this chapter and subsection (a) apply regardless of:

(1) whether the employee's activities were a benefit to the employer at the time of the terrorist attack; or

(2) whether the terrorist act occurred during the employee's:

(A) lunch; or

(B) rest;

period.

SECTION 6. IC 22-3-2-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 8. **(a) No compensation is allowed for an injury or death due to the employee's:**

(1) knowingly self-inflicted injury;

(2) his intoxication;

(3) his commission of an offense; his knowing failure to use a safety appliance;

(4) his knowing failure to obey a reasonable written or printed rule of the employer which has been posted in a conspicuous position in the place of work other than an order or regulation set forth in subsection (b)(2); or

(5) his knowing failure to perform any statutory duty.

The burden of proof is on the defendant.

(b) This subsection does not apply to compensation due to a school to work student under section 2.5(b)(2) of this chapter. Each payment of monetary compensation allowed under IC 22-3-3-8, IC 22-3-3-9, IC 22-3-3-10, IC 22-3-3-21, or IC 22-3-3-22 shall be reduced by fifteen percent (15%) for an injury or a death caused in any degree by the employee's intentional:

(1) failure to use a safety appliance furnished by the employer or required by the employer to be used by the employee; or

(2) failure to obey a lawful order or administrative regulation issued by:

(A) the worker's compensation board; or

(B) the employer;

for the safety of the employees or the public.

SECTION 7. IC 22-3-6-1, AS AMENDED BY P.L.202-2001, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 1. In IC 22-3-2 through

IC 22-3-6, unless the context otherwise requires:

(a) "Employer" includes the state and any political subdivision, any municipal corporation within the state, any individual or the legal representative of a deceased individual, firm, association, limited liability company, or corporation or the receiver or trustee of the same, using the services of another for pay. A parent corporation and its subsidiaries shall each be considered joint employers of the corporation's, the parent's, or the subsidiaries' employees for purposes of IC 22-3-2-6 and IC 22-3-3-31. Both a lessor and a lessee of employees shall each be considered joint employers of the employees provided by the lessor to the lessee for purposes of IC 22-3-2-6 and IC 22-3-3-31. If the employer is insured, the term includes the employer's insurer so far as applicable. However, the inclusion of an employer's insurer within this definition does not allow an employer's insurer to avoid payment for services rendered to an employee with the approval of the employer. The term also includes an employer that provides on-the-job training under the federal School to Work Opportunities Act (20 U.S.C. 6101 et seq.) to the extent set forth in IC 22-3-2-2.5.

(b) "Employee" means every person, including a minor, in the service of another, under any contract of hire or apprenticeship, written or implied, except one whose employment is both casual and not in the usual course of the trade, business, occupation, or profession of the employer.

(1) An executive officer elected or appointed and empowered in accordance with the charter and bylaws of a corporation, other than a municipal corporation or governmental subdivision or a charitable, religious, educational, or other nonprofit corporation, is an employee of the corporation under IC 22-3-2 through IC 22-3-6.

(2) An executive officer of a municipal corporation or other governmental subdivision or of a charitable, religious, educational, or other nonprofit corporation may, notwithstanding any other provision of IC 22-3-2 through IC 22-3-6, be brought within the coverage of its insurance contract by the corporation by specifically including the executive officer in the contract of insurance. The election to bring the executive officer within the coverage shall continue for the period the contract of insurance is in effect, and during this period, the executive officers thus brought within the coverage of the insurance contract are employees of the corporation under IC 22-3-2 through IC 22-3-6.

(3) Any reference to an employee who has been injured, when the employee is dead, also includes the employee's legal representatives, dependents, and other persons to whom compensation may be payable.

(4) An owner of a sole proprietorship may elect to include the owner as an employee under IC 22-3-2 through IC 22-3-6 if the owner is actually engaged in the proprietorship business. If the owner makes this election, the owner must serve upon the owner's insurance carrier and upon the board written notice of the election. No owner of a sole proprietorship may be considered an employee under IC 22-3-2 through IC 22-3-6 until the notice has been received. If the owner of a sole proprietorship is an independent contractor in the construction trades and does not make the election provided under this subdivision, the owner must obtain an affidavit of exemption under IC 22-3-2-14.5.

(5) A partner in a partnership may elect to include the partner as an employee under IC 22-3-2 through IC 22-3-6 if the partner is actually engaged in the partnership business. If a partner makes this election, the partner must serve upon the partner's insurance carrier and upon the board written notice of the election. No partner may be considered an employee under IC 22-3-2 through IC 22-3-6 until the notice has been received. If a partner in a partnership is an independent contractor in the construction trades and does not make the election provided under this subdivision, the partner must obtain an affidavit of exemption under IC 22-3-2-14.5.

(6) Real estate professionals are not employees under IC 22-3-2 through IC 22-3-6 if:

- (A) they are licensed real estate agents;
- (B) substantially all their remuneration is directly related to sales volume and not the number of hours worked; and
- (C) they have written agreements with real estate brokers stating that they are not to be treated as employees for tax purposes.

(7) A person is an independent contractor in the construction trades and not an employee under IC 22-3-2 through IC 22-3-6 if the person is an independent contractor under the guidelines of the United States Internal Revenue Service.

(8) An owner-operator that provides a motor vehicle and the services of a driver under a written contract that is subject to IC 8-2.1-24-23, 45 IAC 16-1-13, or 49 CFR 1057, to a motor carrier is not an employee of the motor carrier for purposes of IC 22-3-2 through IC 22-3-6. The owner-operator may elect to be covered and have the owner-operator's drivers covered under a worker's compensation insurance policy or authorized self-insurance that insures the motor carrier if the owner-operator pays the premiums as requested by the motor carrier. An election by an owner-operator under this subdivision does not terminate the independent contractor status of the owner-operator for any purpose other than the purpose of this subdivision.

(9) A member or manager in a limited liability company may elect to include the member or manager as an employee under IC 22-3-2 through IC 22-3-6 if the member or manager is actually engaged in the limited liability company business. If a member or manager makes this election, the member or manager must serve upon the member's or manager's insurance carrier and upon the board written notice of the election. A member or manager may not be considered an employee under IC 22-3-2 through IC 22-3-6 until the notice has been received.

(10) An unpaid participant under the federal School to Work Opportunities Act (20 U.S.C. 6101 et seq.) is an employee to the extent set forth in IC 22-3-2-2.5.

(c) "Minor" means an individual who has not reached seventeen (17) years of age.

(1) Unless otherwise provided in this subsection, a minor employee shall be considered as being of full age for all purposes of IC 22-3-2 through IC 22-3-6.

(2) If the employee is:

(A) a minor who, at the time of the accident, is employed, required, suffered, or permitted to work in violation of IC 20-8.1-4-25; or

(B) a child less than eighteen (18) years of age who, at the time of the accident, is permitted to work in violation of IC 20-8.1-4-25.5;

the amount of compensation and death benefits, as provided in IC 22-3-2 through IC 22-3-6, shall be double the amount which would otherwise be recoverable. The insurance carrier shall be liable on its policy for one-half (1/2) of the compensation or benefits that may be payable on account of the injury or death of the minor, and the employer shall be liable for the other one-half (1/2) of the compensation or benefits. If the employee is a minor who is not less than sixteen (16) years of age and who has not reached seventeen (17) years of age and who at the time of the accident is employed, suffered, or permitted to work at any occupation which is not prohibited by law, this subdivision does not apply.

(3) A minor employee who, at the time of the accident, is a student performing services for an employer as part of an approved program under IC 20-10.1-6-7 shall be considered a full-time employee for the purpose of computing compensation for permanent impairment under IC 22-3-3-10. The average weekly wages for such a student shall be calculated as provided in subsection (d)(4).

(4) The rights and remedies granted in this subsection to a minor under IC 22-3-2 through IC 22-3-6 on account of personal injury or death by accident shall exclude all rights and remedies of the minor, the minor's parents, or the minor's personal representatives, dependents, or next of kin at common law, statutory or otherwise, on account of the injury or death.

This subsection does not apply to minors who have reached seventeen (17) years of age.

(d) "Average weekly wages" means the earnings of the injured employee in the employment in which the employee was working at the time of the injury during the period of fifty-two (52) weeks immediately preceding the date of injury, divided by fifty-two (52), except as follows:

(1) If the injured employee lost seven (7) or more calendar days during this period, although not in the same week, then the earnings for the remainder of the fifty-two (52) weeks shall be divided by the number of weeks and parts thereof remaining after the time lost has been deducted.

(2) Where the employment prior to the injury extended over a period of less than fifty-two (52) weeks, the method of dividing the earnings during that period by the number of weeks and parts thereof during which the employee earned wages shall be followed, if results just and fair to both parties will be obtained. Where by reason of the shortness of the time during which the employee has been in the employment of the employee's employer or of the casual nature or terms of the employment it is impracticable to compute the average weekly wages, as defined in this subsection, regard shall be had to the average weekly amount which during the fifty-two (52) weeks previous to the injury was being earned by a person in the same grade employed at the same work by the same employer or, if there is no person so employed, by a person in the same grade employed in the same class of employment in the same district.

(3) Wherever allowances of any character made to an employee in lieu of wages are a specified part of the wage contract, they shall be deemed a part of his earnings.

(4) In computing the average weekly wages to be used in calculating an award for permanent impairment under IC 22-3-3-10 for a student employee in an approved training program under IC 20-10.1-6-7, the following formula shall be used. Calculate the product of:

- (A) the student employee's hourly wage rate; multiplied by
- (B) forty (40) hours.

The result obtained is the amount of the average weekly wages for the student employee.

(e) "Injury" and "personal injury" mean only injury by accident arising out of and in the course of the employment and do not include a disease in any form except as it results from the injury.

(f) "Billing review service" refers to a person or an entity that reviews a medical service provider's bills or statements for the purpose of determining pecuniary liability. The term includes an employer's worker's compensation insurance carrier if the insurance carrier performs such a review.

(g) "Billing review standard" means the data used by a billing review service to determine pecuniary liability.

(h) "Community" means a geographic service area based on zip code districts defined by the United States Postal Service according to the following groupings:

- (1) The geographic service area served by zip codes with the first three (3) digits 463 and 464.
- (2) The geographic service area served by zip codes with the first three (3) digits 465 and 466.
- (3) The geographic service area served by zip codes with the first three (3) digits 467 and 468.
- (4) The geographic service area served by zip codes with the first three (3) digits 469 and 479.
- (5) The geographic service area served by zip codes with the first three (3) digits 460, 461 (except 46107), and 473.
- (6) The geographic service area served by the 46107 zip code and zip codes with the first three (3) digits 462.
- (7) The geographic service area served by zip codes with the first three (3) digits 470, 471, 472, 474, and 478.
- (8) The geographic service area served by zip codes with the first three (3) digits 475, 476, and 477.

(i) "Medical service provider" refers to a person or an entity that provides medical services, treatment, or supplies to an employee under IC 22-3-2 through IC 22-3-6.

(j) "Pecuniary liability" means the responsibility of an employer

or the employer's insurance carrier for the payment of the charges for each specific service or product for human medical treatment provided under IC 22-3-2 through IC 22-3-6 in a defined community, equal to or less than the charges made by medical service providers at the eightieth percentile in the same community for like services or products.

SECTION 8. IC 22-3-7-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 2. (a) Every employer and every employee, except as stated in this chapter, shall comply with this chapter, requiring the employer and employee to pay and accept compensation for disablement or death by occupational disease arising out of and in the course of the employment, and shall be bound thereby, **except as provided in section 10(c) of this chapter.**

(b) This chapter does not apply to employees of municipal corporations in Indiana who are members of:

- (1) the fire department or police department of any such municipality; and
- (2) a firefighters' pension fund or a police officers' pension fund.

However, if the common council elects to purchase and procure worker's occupational disease insurance to insure said employees with respect to medical benefits under this chapter, the medical provisions apply to members of the fire department or police department of any such municipal corporation who are also members of a firefighters' pension fund or a police officers' pension fund.

(c) When any municipal corporation purchases or procures worker's occupational disease insurance covering members of the fire department or police department who are also members of a firefighters' pension fund or a police officers' pension fund and pays the premium or premiums for the insurance, the payment of the premiums is a legal and allowable expenditure of funds of any municipal corporation.

(d) Except as provided in subsection (e), where the common council has procured worker's occupational disease insurance as provided under this section, any member of the fire department or police department employed in the city carrying the worker's occupational disease insurance under this section is limited to recovery of medical and surgical care, medicines, laboratory, curative and palliative agents and means, x-ray, diagnostic and therapeutic services to the extent that the services are provided for in the worker's occupational disease policy so procured by the city, and may not also recover in addition to that policy for the same benefits provided in IC 36-8-4.

(e) If the medical benefits provided under a worker's occupational disease policy procured by the common council terminate for any reason before the police officer or firefighter is fully recovered, the common council shall provide medical benefits that are necessary until the police officer or firefighter is no longer in need of medical care.

(f) Nothing in this section affects the rights and liabilities of employees and employers had by them prior to April 1, 1963, under this chapter.

SECTION 9. IC 22-3-7-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 10. (a) **Except as provided in subsection (c)**, as used in this chapter, "occupational disease" means a disease arising out of and in the course of the employment. Ordinary diseases of life to which the general public is exposed outside of the employment shall not be compensable, except where such diseases follow as an incident of an occupational disease as defined in this section.

(b) A disease arises out of the employment only if there is apparent to the rational mind, upon consideration of all of the circumstances, a direct causal connection between the conditions under which the work is performed and the occupational disease, and which can be seen to have followed as a natural incident of the work as a result of the exposure occasioned by the nature of the employment, and which can be fairly traced to the employment as the proximate cause, and which does not come from a hazard to which workers would have been equally exposed outside of the employment. The disease must be incidental to the character of the business and not independent of the relation of employer and

employee. The disease need not have been foreseen or expected but after its contraction it must appear to have had its origin in a risk connected with the employment and to have flowed from that source as a rational consequence.

(c) In addition to subsections (a) and (b), in the event of a terrorist attack (as determined by the worker's compensation board) every employer shall pay and every employee shall accept compensation for occupational disease or death by occupational disease occurring while:

(1) the employee was engaged in the duties of employment at the time of the terrorist attack; or

(2) the employee was traveling to or from the place of employment whether or not during working hours, and:

(A) had reached the employer's premises;

(B) had reached the area where the employee parks a motor vehicle; or

(C) was in such close proximity to the place of employment as to be injured or killed as a result of a terrorist attack that directly involved the employer's premises or adjacent areas, including, but not limited to, adjacent travel routes and parking garages.

(d) Section 2 of this chapter and subsection (a) apply regardless of:

(1) whether the employee's activities were a benefit to the employer at the time of the terrorist attack; or

(2) whether the terrorist act occurred during the employee's:

(A) lunch; or

(B) rest;

period.

SECTION 10. IC 22-3-7-21 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 21. (a) No compensation is allowed for any condition of physical or mental ill-being, disability, disablement, or death for which compensation is recoverable on account of accidental injury under chapters 2 through 6 of this article.

(b) No compensation is allowed for any disease or death knowingly self-inflicted by the employee, or due to:

(1) his intoxication;

(2) his commission of an offense; his knowing failure to use a safety appliance;

(3) his knowing failure to obey a reasonable written or printed rule of the employer which has been posted in a conspicuous position in the place of work other than an order or regulation set forth in subsection (c)(2); or

(4) his knowing failure to perform any statutory duty.

The burden of proof is on the defendant.

(c) This subsection does not apply to compensation due to a school to work student under section 2.5(b)(2) of this chapter. Each payment of monetary compensation allowed under sections 11, 15, 16, and 19 of this chapter shall be reduced by fifteen percent (15%) for an occupational disease or a death resulting from an occupational disease caused in any degree by the employee's intentional:

(1) failure to use a safety appliance furnished by the employer or required by the employer to be used by the employee; or

(2) failure to obey a lawful order or administrative regulation issued by:

(A) the worker's compensation board; or

(B) the employer;

for the safety of the employees or the public.

SECTION 11. IC 22-4-15-1, AS AMENDED BY P.L.290-2001, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 1. (a) With respect to benefit periods established on and after July 6, 1980, an individual who has voluntarily left the individual's most recent employment without good cause in connection with the work or who was discharged from the individual's most recent employment for just cause is ineligible for ~~waiting period~~ or benefit rights for the week in which the disqualifying separation occurred and until the individual has earned remuneration in employment equal to or exceeding the weekly benefit

amount of the individual's claim in each of eight (8) weeks. If the qualification amount has not been earned at the expiration of an individual's benefit period, the unearned amount shall be carried forward to an extended benefit period or to the benefit period of a subsequent claim.

(b) When it has been determined that an individual has been separated from employment under disqualifying conditions as outlined in this section, the maximum benefit amount of ~~his~~ **the individual's** current claim, as initially determined, shall be reduced by twenty-five percent (25%). If twenty-five percent (25%) of the maximum benefit amount is not an even dollar amount, the amount of such reduction will be raised to the next higher even dollar amount. The maximum benefit amount may not be reduced by more than twenty-five percent (25%) during any benefit period or extended benefit period.

(c) The disqualifications provided in this section shall be subject to the following modifications:

(1) An individual shall not be subject to disqualification because of separation from the individual's employment if:

(A) the individual left to accept with another employer previously secured permanent full-time work which offered reasonable expectation of continued covered employment and betterment of wages or working conditions; and thereafter was employed on said job;

(B) having been simultaneously employed by two (2) employers, the individual leaves one (1) such employer voluntarily without good cause in connection with the work but remains in employment with the second employer with a reasonable expectation of continued employment; or

(C) the individual left to accept recall made by a base period employer.

(2) An individual whose unemployment is the result of medically substantiated physical disability and who is involuntarily unemployed after having made reasonable efforts to maintain the employment relationship shall not be subject to disqualification under this section for such separation.

(3) An individual who left work to enter the armed forces of the United States shall not be subject to disqualification under this section for such leaving of work.

(4) An individual whose employment is terminated under the compulsory retirement provision of a collective bargaining agreement to which the employer is a party, or under any other plan, system, or program, public or private, providing for compulsory retirement and who is otherwise eligible shall not be deemed to have left the individual's work voluntarily without good cause in connection with the work. However, if such individual subsequently becomes reemployed and thereafter voluntarily leaves work without good cause in connection with the work, the individual shall be deemed ineligible as outlined in this section.

(5) An otherwise eligible individual shall not be denied benefits for any week because the individual is in training approved under Section 236(a)(1) of the Trade Act of 1974, nor shall the individual be denied benefits by reason of leaving work to enter such training, provided the work left is not suitable employment, or because of the application to any week in training of provisions in this law (or any applicable federal unemployment compensation law), relating to availability for work, active search for work, or refusal to accept work. For purposes of this subdivision, the term "suitable employment" means with respect to an individual, work of a substantially equal or higher skill level than the individual's past adversely affected employment (as defined for purposes of the Trade Act of 1974), and wages for such work at not less than eighty percent (80%) of the individual's average weekly wage as determined for the purposes of the Trade Act of 1974.

(6) An individual is not subject to disqualification because of separation from the individual's employment if:

(A) the employment was outside the individual's labor market;

(B) the individual left to accept previously secured full-time work with an employer in the individual's labor market; and

(C) the individual actually became employed with the employer in the individual's labor market.

(7) An individual who, but for the voluntary separation to move to another labor market to join a spouse who had moved to that labor market, shall not be disqualified for that voluntary separation, if the individual is otherwise eligible for benefits. Benefits paid to the spouse whose eligibility is established under this subdivision shall not be charged against the employer from whom the spouse voluntarily separated.

(8) An individual who is an affected employee (as defined in IC 22-4-43-1(1)) and is subject to the work sharing unemployment insurance program under IC 22-4-43 is not disqualified from participating in the work sharing unemployment insurance program for being an affected employee.

As used in this subsection, "labor market" means the area surrounding an individual's permanent residence, outside which the individual cannot reasonably commute on a daily basis. In determining whether an individual can reasonably commute under this subdivision, the department shall consider the nature of the individual's job.

(d) "Discharge for just cause" as used in this section is defined to include but not be limited to:

- (1) separation initiated by an employer for falsification of an employment application to obtain employment through subterfuge;
- (2) knowing violation of a reasonable and uniformly enforced rule of an employer;
- (3) unsatisfactory attendance, if the individual cannot show good cause for absences or tardiness;
- (4) damaging the employer's property through willful negligence;
- (5) refusing to obey instructions;
- (6) reporting to work under the influence of alcohol or drugs or consuming alcohol or drugs on employer's premises during working hours;
- (7) conduct endangering safety of self or coworkers; or
- (8) incarceration in jail following conviction of a misdemeanor or felony by a court of competent jurisdiction or for any breach of duty in connection with work which is reasonably owed an employer by an employee.

SECTION 12. IC 22-4-43 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]:

Chapter 43. Work Sharing

Sec. 1. The following definitions apply throughout this chapter:

- (1) "Affected employee" means an individual who has been continuously on the payroll of an affected unit for at least three (3) months before the employing unit submits a work sharing plan.
- (2) "Affected unit" means a specific plant, department, shift, or other definable unit of an employing unit:
 - (A) that has at least two (2) employees; and
 - (B) to which an approved work sharing plan applies.
- (3) "Approved work sharing plan" means a plan that satisfies the purpose set forth in section 2 of this chapter and has the approval of the commissioner.
- (4) "Commissioner" means the commissioner of workforce development appointed under IC 22-4.1-3-1.
- (5) "Employee association" means:
 - (A) an association that is a party to a collective bargaining agreement under which it may negotiate a work sharing plan; or
 - (B) an association authorized by all of its members to become a party to a work sharing plan.
- (6) "Normal weekly work hours" means the lesser of:
 - (A) the number of hours in a week that an employee customarily works for the regular employing unit; or
 - (B) forty (40) hours.
- (7) "Work sharing benefit" means benefits payable to an affected employee for work performed under an approved

work sharing plan, including benefits payable to a federal civilian employee or former member of the armed forces under 5 U.S.C. 8500 et seq., but does not include benefits that are otherwise payable under this article.

(8) "Work sharing employer" means an employing unit or employer association for which a work sharing plan has been approved.

(9) "Work sharing plan" means a plan of an employing unit or employer association under which:

- (A) normal weekly work hours of affected employees are reduced; and
- (B) affected employees share the work that remains after the reduction.

Sec. 2. The work sharing unemployment insurance program seeks to:

- (1) preserve the jobs of employees and the work force of an employer during lowered economic activity by reduction in work hours or workdays rather than by a layoff of some employees while other employees continue their normal weekly work hours or workdays; and
- (2) ameliorate the adverse effect of reduction in business activity by providing benefits for the part of the normal weekly work hours or workdays in which an employee does not work.

Sec. 3. An employing unit or employee association that wishes to participate in the work sharing unemployment insurance program shall submit to the commissioner a written work sharing plan that the employing unit or representative of the employee association has signed.

Sec. 4. (a) Within fifteen (15) days after receipt of a work sharing plan, the commissioner shall give written approval or disapproval of the plan to the employing unit or employee association.

(b) The decision of the commissioner to disapprove a work sharing plan is final and may not be appealed.

(c) An employing unit or employee association may submit a new work sharing plan not less than fifteen (15) days after disapproval of a work sharing plan.

Sec. 5. The commissioner shall approve a work sharing plan that meets the following requirements:

- (1) The work sharing plan must apply to:
 - (A) at least ten percent (10%) of the employees in an affected unit; or
 - (B) at least twenty (20) employees in an affected unit in which the work sharing plan applies equally to all affected employees.
- (2) The normal weekly work hours of affected employees in the affected unit shall be reduced by at least ten percent (10%) but the reduction may not exceed fifty percent (50%) unless the fifty percent (50%) limit is waived by the commissioner.

Sec. 6. A work sharing plan must:

- (1) identify the affected unit;
- (2) identify each employee in the affected unit by:
 - (A) name;
 - (B) Social Security number; and
 - (C) any other information that the commissioner requires;
- (3) specify an expiration date that is not more than six (6) months after the effective date of the work sharing plan;
- (4) specify the effect that the work sharing plan will have on the fringe benefits of each employee in the affected unit, including:
 - (A) health insurance for hospital, medical, dental, and similar services;
 - (B) retirement benefits under benefit pension plans as defined in the federal Employee Retirement Security Act (29 U.S.C. 1001 et seq.);
 - (C) holiday and vacation pay;
 - (D) sick leave; and
 - (E) similar advantages;
- (5) certify that:

(A) each affected employee has been continuously on the payroll of the employing unit for three (3) months immediately before the date on which the employing unit or employer association submits the work sharing plan; and

(B) the total reduction in normal weekly work hours is in place of layoffs that would have:

- (i) affected at least the number of employees specified in section 5(1) of this chapter; and
- (ii) would have resulted in an equivalent reduction in work hours; and

(6) contain the written approval of:

(A) the collective bargaining agent for each collective bargaining agreement that covers any affected employee in the affected unit; or

(B) if there is not an agent, a representative of the employees or employee association in the affected unit.

Sec. 7. If a work sharing plan serves the work sharing employer as a transitional step to permanent staff reduction, the work sharing plan must contain a reemployment assistance plan for each affected employee that the work sharing employer develops with the commissioner.

Sec. 8. The work sharing employer shall agree to:

(1) submit reports that are necessary to administer the work sharing plan; and

(2) allow the department to have access to all records necessary to:

(A) verify the work sharing plan before its approval; and

(B) monitor and evaluate the application of the work sharing plan after its approval.

Sec. 9. (a) An approved work sharing plan may be modified if the modification meets the requirements for approval under section 6 of this chapter and the commissioner approves the modifications.

(b) An employing unit may add an employee to a work sharing plan when the employee has been continuously on the payroll for three (3) months.

(c) An approved modification of a work sharing plan may not change its expiration date.

Sec. 10. (a) An affected employee is eligible under section 12 of this chapter to receive work sharing benefits for each week in which the commissioner determines that the affected employee is:

(1) able to work; and

(2) available for more hours of work or full-time work for the worksharing employer.

(b) An affected employee who otherwise is eligible may not be denied work sharing benefits for lack of effort to secure work as set forth in IC 22-4-14-3 or for failure to apply for available suitable work as set forth in IC 22-4-15-2 from a person other than the work sharing employer.

(c) An affected employee shall apply for benefits under IC 22-4-17-1.

(d) An affected employee who otherwise is eligible for benefits is:

(1) considered to be unemployed for the purpose of the work sharing unemployment insurance program; and

(2) not subject to the requirements of IC 22-4-14-2.

Sec. 11. The weekly work sharing unemployment compensation benefit due to an affected worker is determined in STEP FOUR of the following formula:

STEP ONE: Determine the weekly benefit that would be due to the affected employee under IC 22-4-12-4.

STEP TWO: Determine the percentage of reduction in the employee's normal work hours as to those under the approved work sharing plan.

STEP THREE: Multiply the number determined in STEP ONE by the quotient determined in STEP TWO.

STEP FOUR: If the product determined under STEP THREE is not a multiple of one dollar (\$1), round down to the nearest lower multiple of one dollar (\$1).

Sec. 12. (a) An affected employee is eligible to receive not more

than twenty-six (26) weeks of work sharing benefits during each benefit year.

(b) The total amount of benefits payable under IC 22-4-12-4 and work sharing benefits payable under this chapter may not exceed the total payable for the benefit year under IC 22-4-12-4(a).

Sec. 13. The board shall adopt rules under IC 4-22-2 applicable to partially unemployed workers for determining their weekly benefit amount due under this chapter, subject to IC 22-4-12-5(b).

Sec. 14. During a week in which an affected employee who otherwise is eligible for benefits does not work for the work sharing employer:

(1) the individual shall be paid benefits in accordance with this chapter; and

(2) the week does not count as a week for which a work sharing benefit is received.

Sec. 15. During a week in which an employee earns wages under an approved work sharing plan and other wages, the work sharing benefit shall be reduced by the same percentage that the combined wages are of wages for normal weekly work hours if the other wages:

(1) exceed the wages earned under the approved work sharing plan; and

(2) do not exceed ninety percent (90%) of the wages that the individual earns for normal weekly work hours.

This computation applies regardless of whether the employee earned the other wage from the work sharing employer or other employer.

Sec. 16. While an affected employee applies for or receives work sharing benefits, the affected employee is not eligible for:

(1) extended benefits under IC 22-4-12-4; or

(2) supplemental federal unemployment compensation.

Sec. 17. The commissioner may revoke approval of an approved work sharing plan for good cause, including:

(1) conduct or an occurrence that tends to defeat the intent and effective operation of the approved work sharing plan;

(2) failure to comply with an assurance in the approved work sharing plan;

(3) unreasonable revision of a productivity standard of the affected unit; and

(4) violation of a criterion on which the commissioner based the approval of the work sharing plan.

SECTION 13. [EFFECTIVE JULY 1, 2002] (a) Notwithstanding IC 22-4-43-13, as added by this act, the unemployment insurance board shall carry out the duties imposed upon it under IC 22-4-43-13, as added by this act, under interim written guidelines approved by the commissioner of workforce development.

(b) This SECTION expires on the earlier of the following:

(1) The date rules are adopted under IC 22-4-43-13, as added by this act.

(2) December 31, 2003."

Renumber all SECTIONS consecutively.

(Reference is to SB 71 as reprinted February 4, 2002.)

and when so amended that said bill do pass.

Committee Vote: yeas 12, nays 1.

LIGGETT, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Judiciary, to which was referred Engrossed Senate Bill 77, 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 32, line 34, after "JANUARY 1, 2003]" insert "IC 30-4-5-1;"

Page 32, line 34, after "IC 30-4-5-2;" insert "IC 30-4-5-3;"

Page 32, line 35, after "IC 30-4-5-7;" insert "IC 30-4-5-8; IC 30-4-5-9; IC 30-4-5-10;"

(Reference is to SB 77 as printed February 1, 2002.)

and when so amended that said bill do pass.

Committee Vote: yeas 9, nays 0.

STURTZ, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Environmental Affairs, to which was referred Engrossed Senate Bill 79, 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 12, after "(F)" insert "**Additions that may require improvements to the sewage disposal system.**

(G)".

Page 2, delete lines 16 through 23.

(Reference is to SB 79 as printed January 16, 2002.)

and when so amended that said bill do pass.

Committee Vote: yeas 11, nays 0.

WEINZAPFEL, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Public Policy, Ethics and Veterans Affairs, to which was referred Engrossed Senate Bill 97, 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:

Replace the effective date in SECTION 1 with "[EFFECTIVE JULY 1, 2003]".

(Reference is to SB 97 as printed January 18, 2002.)

and when so amended that said bill do pass.

Committee Vote: yeas 12, nays 0.

KUZMAN, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Environmental Affairs, to which was referred Engrossed Senate Bill 99, 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 3 and 4, begin a new paragraph and insert: "SECTION 2. IC 13-11-2-144.7 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 144.7. For purposes of IC 13-18-12, "onsite residential sewage discharging disposal system" means a sewage disposal system that:**

(1) is located on a site with and serves a one (1) or two (2) family residence; and

(2) discharges effluent offsite.

SECTION 3. IC 13-11-2-199.5, AS ADDED BY P.L.193-2001, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 199.5. "Septic tank soil absorption system", for purposes of **IC 13-18-12 and IC 13-26-5-2.5**, means pipes laid in a system of trenches or elevated beds, into which the effluent from the septic tank is discharged for soil absorption, or similar structures.

SECTION 4. IC 13-18-12-9 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 9. (a) This section applies only to a county having a population of more than three hundred thousand (300,000) but less than four hundred thousand (400,000).**

(b) Except as provided in subsection (c), the point source discharge of sewage, treated or untreated, from a dwelling or its associated residential sewage disposal system to waters is prohibited.

(c) In a county onsite waste management district established under IC 36-11 that performs all the functions related to onsite waste management listed in IC 36-11-2-1, the point source discharge of sewage, treated or untreated, from an onsite residential sewage discharging disposal system to waters is

permitted if:

(1) the local health department for the jurisdiction in which the system is located issues an operating permit for the system under subsection (d); and

(2) the discharge is authorized under a general permit issued under 40 CFR 122.28.

(d) The local health department for the jurisdiction in which the system is located may issue an operating permit for an onsite residential sewage discharging disposal system if the system is installed to repair a sewage disposal system that fails to meet public health and environmental standards and if:

(1) the local health department adopts a local ordinance for monitoring onsite residential sewage discharging disposal systems in the jurisdiction, including fines or penalties, or both, for noncompliance, to ensure that:

(A) required maintenance is performed on the systems; and

(B) the systems do not discharge effluent that violates water quality standards;

(2) the local health department certifies, with respect to the system for which the permit is issued, that:

(A) the system is capable of operating properly;

(B) the system does not discharge effluent that violates water quality standards;

(C) an acceptable septic tank soil absorption system cannot be located on the property served by the system because of the property's:

(i) soil characteristics;

(ii) size; or

(iii) topographical conditions;

(D) the system:

(i) was properly installed by a qualified installer; and

(ii) provides the best available technology for residential discharging onsite sewage disposal systems; and

(E) the local health department has:

(i) investigated all technologies available for repair of the failed sewage disposal system, other than the use of an onsite residential sewage discharging disposal system; and

(ii) determined that the onsite residential sewage discharging disposal system for which the permit is sought is the only possible technology that can be used to effect a repair of the failed sewage disposal system without causing unreasonable economic hardship to the system's owner; and

(3) the system for which the permit is issued cannot be connected to a sanitary sewer because:

(A) there is not a sanitary sewer connection available; or

(B) unreasonable economic hardship would result to the system's owner because of:

(i) the connection requirements of the sanitary sewer operator; or

(ii) the distance to the sanitary sewer.

(e) This section expires January 1, 2007.

SECTION 5. IC 16-18-2-263.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 263.5. For purposes of IC 16-19-3, "onsite residential sewage discharging disposal system" means a sewage disposal system that:**

(1) is located on a site with and serves a one (1) or two (2) family residence; and

(2) discharges effluent offsite.

SECTION 6. IC 16-19-3-27 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 27. (a) The state department of health shall:**

(1) study the use of:

(A) effluent filters;

(B) recirculation media filters;

(C) aeration treatment units;

(D) drip irrigation;

- (E) graveless trenches; and
 (F) new technologies;
 for residential septic systems that will cause systems to perform satisfactorily as alternatives to currently operating systems that do not perform satisfactorily because of soil characteristics, lot sizes, topographical conditions, or high water tables; and
 (2) take all actions necessary to develop plans and specifications for use of the technologies listed in subdivision (1) in residential septic systems.
 (b) The executive board shall adopt reasonable rules under IC 4-22-2 to:
- (1) adopt the plans and specifications developed under subsection (a);
 - (2) adopt plans and specifications for residential discharging onsite sewage disposal systems; and
 - (3) allow for the issuance of operating permits for:
 - (A) residential septic systems that are installed in compliance with the plans and specifications adopted under subdivision (1); and
 - (B) onsite residential sewage discharging disposal systems that:
 - (i) are installed in compliance with the plans and specifications adopted under subdivision (2); and
 - (ii) comply with IC 13-18-12-9."

Page 3, line 6, delete "department;" and insert "department of environmental management;"

Page 3, line 12, after "of the department" insert "of environmental management".

Page 3, line 24, delete "department;" and insert "department of environmental management;"

Page 4, line 32, delete "employee." and insert "employee and may not be a member of the county legislative body."

Page 5, line 5, delete "department;" and insert "department of environmental management;"

Page 5, line 42, after "body." insert "The governing body shall give notice by mail of the adoption of an ordinance to establish a district to each person who filed a written objection under section 8 of this chapter."

Page 6, line 4, delete "department;" and insert "department of environmental management;"

Page 6, between lines 20 and 21, begin a new paragraph and insert:

"Sec. 14. (a) If the governing body adopts an ordinance under section 10 of this chapter to establish a district, a person who filed a written objection under section 8 of this chapter against the establishment of the district may file an objecting petition in the office of the county auditor. The petition must be filed not more than thirty (30) days after the date the notice of the adoption of the ordinance is mailed to the person under section 8 of this chapter. The petition must state the person's objections and the reasons why the person believes the establishment of the district is unnecessary or unwise.

(b) The county auditor shall immediately certify a copy of the petition, together with other data necessary to present the questions involved, to the county legislative body. Upon receipt of the certified petition and other data, the county legislative body shall fix a time and place for the hearing of the matter. The hearing shall be held not less than five (5) days and not more than thirty (30) days after the receipt of the certified documents.

(c) The hearing shall be held in the county where the petition arose.

(d) The county legislative body shall give notice of the hearing to the petitioner and the governing body by mail at least five (5) days before the date of the hearing. After the hearing, the county legislative body shall approve or deny the establishment of the district. The decision by the county legislative body:

- (1) is final with respect to the establishment of the district against which the objecting petition was filed; and
- (2) does not limit the authority of the governing body to initiate new proceedings to establish a district."

Page 10, after line 32, begin a new paragraph and insert:
 "SECTION 8. [EFFECTIVE UPON PASSAGE] (a) For purposes of this SECTION:

- (1) "onsite residential sewage discharging disposal system" has the meaning set forth in IC 13-11-2-144.7; and
 - (2) "waters" has the meaning set forth in IC 13-11-2-265.
- (b) The department of environmental management:
- (1) shall take all actions necessary to apply for and obtain from the United States Environmental Protection Agency a general permit under 40 CFR 122.28 for the state to cover the point source discharge to waters of sewage, treated or untreated, from an onsite residential sewage discharging disposal system installed to repair a sewage disposal system that fails to meet public health and environmental standards;
 - (2) is authorized to take all actions referred to in subdivision (1);
 - (3) shall take the actions referred to in subdivision (1) in an expeditious manner calculated to obtain the general permit as soon as possible; and
 - (4) shall report to the environmental quality service council before:

(A) August 1, 2002; and

(B) October 1, 2002;

the progress in obtaining the general permit.

(c) The state department of health and the executive board of the state department of health shall:

- (1) take the actions referred to in IC 16-19-3-27, as added by this act, in an expeditious manner calculated to result in the development of plans and specifications and the adoption of rules as soon as possible; and
- (2) report to the environmental quality service council before:

(A) August 1, 2002; and

(B) October 1, 2002;

the progress in developing plans and specifications and adopting rules.

(d) This SECTION expires January 1, 2004.

SECTION 9. An emergency is declared for this act."

Renumber all SECTIONS consecutively.

(Reference is to SB 99 as printed January 16, 2002.)

and when so amended that said bill do pass.

Committee Vote: yeas 11, nays 0.

WEINZAPFEL, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Public Policy, Ethics and Veterans Affairs, to which was referred Engrossed Senate Bill 100, 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 10-5-3-1, AS AMENDED BY P.L.16-1999, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 1. (a) Whenever any person, male or female, who has heretofore served, or who may hereafter serve, as a member of the armed forces of the United States as a soldier, sailor, or marine in the army, air force, or navy of the United States, or as a member of the women's components thereof, resident of any county of this state, and who, while a member of the armed forces and before discharge therefrom, or, who after receiving an honorable discharge therefrom, or the wife or widow, the husband or widower of any such member of the armed forces of the United States, resident of any county of this state, has died or shall hereafter die, upon a claim for burial expenses being filed by an interested person with the board of commissioners of the county of the residence of such deceased person, stating the fact of such service, death, and discharge, if discharged from such service prior to death, and that the body has been buried in a decent and respectable manner, in a

cemetery or burial ground, such board of commissioners shall hear and determine such claim, like other claims, filed for allowance by them, and if the facts averred are found to be true, as a tribute of respect due such member of the armed forces, shall make allowance of such claim in a sum ~~not exceeding one hundred dollars (\$100) for service rendered and material furnished in care of such body and where necessary an amount not to exceed twenty-five dollars (\$25) for a place of burial of such body.~~ **set by ordinance. The amount of the allowance must be at least one hundred twenty-five dollars (\$125) but not more than one thousand dollars (\$1,000).**

(b) Only one (1) claim **for burial expenses** shall be allowed for any decedent, who qualifies under this chapter, and the total sum of the claim filed and for which allowances shall be made ~~whether it be for service rendered and material furnished or service rendered, material furnished, and place for burial furnished shall not exceed one hundred dollars (\$100).~~ **However, should the federal government provide a marker for the grave of any such person, the board of commissioners shall make a further allowance of not more than one hundred dollars (\$100) for the setting of such marker. shall be set by ordinance. The amount of the allowance must be at least one hundred twenty-five dollars (\$125) but not more than one thousand dollars (\$1,000).** Any sum of money expended by any county under the provisions of this chapter shall be considered as a gift, and no persons for and on behalf of the state of Indiana or any of its political subdivisions shall be authorized to file a claim for a lump sum death benefit, with the federal social security administration claiming reimbursement for any sum of money so expended.

(c) Before a person who will set a grave marker provided by the federal government as described in subsection (b) enters into a contract to set the grave marker with a person who receives the grave marker from the federal government, or the person's representative, the person who will set the grave marker must disclose the following information to the person who receives the grave marker, or the person's representative:

(1) The price of the least expensive installation procedure that the person who will set the grave marker will charge for setting the grave marker and a description of the goods and services included in the procedure.

(2) The prices of any other installation procedures or options that may be performed or provided by the person who will set the grave marker and a description of the goods and services included in the procedures or options."

Page 3, between lines 12 and 13, begin a new paragraph and insert:

"SECTION 3. [EFFECTIVE JULY 1, 2002] IC 10-5-3-1, as amended by this act, applies to claims for burial expenses filed after June 30, 2002."

Renumber all SECTIONS consecutively.

(Reference is to SB 100 as printed January 25, 2002.)

and when so amended that said bill do pass.

Committee Vote: yeas 11, nays 0.

KUZMAN, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Rules and Legislative Procedures, to which was referred Engrossed Senate Bill 102, 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 11, line 20, delete "." and insert **"except for that required by a political subdivision for onsite electrical, plumbing, or mechanical systems installation."**

Page 11, between lines 28 and 29, begin a new paragraph and insert:

"(c) This section does not prohibit:

(1) a manufactured housing community owner;

(2) a manufactured housing community manager; or

(3) the employees of a person described in subdivision (1) or (2);

from providing maintenance to an installation if that maintenance does not otherwise require a license by a political subdivision for onsite electrical, plumbing, or mechanical systems installation."

Page 12, line 15, after "or" insert **"a"**.

Page 12, line 26, delete "A" and insert **"Notwithstanding IC 25-1-2, a"**.

Page 12, line 26, delete "two (2)" and insert **"four (4)"**.

Page 14, line 17, after "or" insert **"a"**.

(Reference is to SB 102 as printed January 25, 2002.)

and when so amended that said bill do pass.

Committee Vote: yeas 8, nays 0.

MOSES, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Rules and Legislative Procedures, to which was referred Engrossed Senate Bill 104, 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.

MOSES, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Public Health, to which was referred Engrossed Senate Bill 139, 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 11, nays 0.

C. BROWN, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Public Policy, Ethics and Veterans Affairs, to which was referred Engrossed Senate Bill 144, 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 34-30-2-153.3 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 153.3. IC 36-4-10-4.5 (Concerning the personal liability of the clerk treasurer of a third class city).

SECTION 2. IC 34-30-2-153.4 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 153.4. IC 36-3-5-2.6 (Concerning the personal liability of the controller of a consolidated city)."

Page 1, between lines 4 and 5, begin a new paragraph and insert:

"SECTION 3. IC 36-3-5-2.6 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 2.6. The controller is not liable, in an individual capacity, for any act or omission occurring in connection with the performance of the controller's duty as a fiscal officer of the consolidated city, unless the act or omission constitutes gross negligence or an intentional disregard of the controller's duty."

Renumber all SECTIONS consecutively.

(Reference is to SB 144 as printed February 1, 2002.)

and when so amended that said bill do pass.

Committee Vote: yeas 12, nays 0.

KUZMAN, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Public Policy, Ethics and Veterans Affairs, to which was referred Engrossed Senate Bill 152, 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 lines 13 and 14, begin a new paragraph and insert:

"SECTION 3. IC 5-11-1-26 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 26. (a) If a state office, municipality, or other entity has authority to contract for the construction, reconstruction, alteration, repair, improvement, or maintenance of a public work, the state board of accounts shall include in each examination report concerning the state office, municipality, or entity:

- (1) an opinion concerning whether the state office, municipality, or entity has complied with IC 5-16-8; and
- (2) a brief description of each instance in which the state office, municipality, or entity has exercised its authority under IC 5-16-8-2(b) or IC 5-16-8-4.

(b) If a municipality or a county performs a public work by means of its own workforce under IC 36-1-12-3 or IC 36-1-12-3.1, the state board of accounts shall include the following in each examination report concerning the municipality or county:

- (1) An opinion concerning whether the municipality or county has complied with IC 36-1-12-3 or IC 36-1-12-3.1 for each public work performed by the entity's own workforce.**
- (2) A brief description of each public work that the municipality or county has performed with its own workforce under IC 36-1-12-3 or IC 36-1-12-3.1, including a calculation of the actual cost of each public work pursuant to IC 36-1-12-3.1(d).**
- (3) An opinion concerning whether the municipality or county has complied with IC 36-1-12-19 in calculating the actual costs of a public work project performed under IC 36-1-12-3 or IC 36-1-12-3.1.**

~~(b)~~ (c) The state board of accounts may exercise any of its powers under this chapter concerning public accounts to carry out this section, including the power to require a uniform system of accounting or the use of forms prescribed by the state board of accounts."

Page 2, line 30, strike "fifty thousand dollars (\$50,000)," and insert "seventy-five thousand dollars (\$75,000)."

Page 3, line 8, delete "the workforce is" and insert ":

- (1) the workforce, through demonstrated skills, training, or expertise, is capable of performing the public work; and**
- (2) for a public work project whose cost is estimated to be more than one hundred thousand dollars (\$100,000), the board:**

(A) publishes a notice pursuant to IC 5-3-1 that:

- (i) describes the public work that the board intends to perform with its own workforce; and**
- (ii) sets forth the projected cost of each component of the public work as described in subsection (d); and**

(B) determines at a public meeting that it is in the public interest to perform the public work with the board's own workforce."

Page 3, delete line 9.

Page 3, after line 17, begin a new paragraph and insert:

"(e) A public work project performed by a board's own workforce shall be inspected and accepted as complete in the same manner as a public work project performed pursuant to a contract awarded after receiving bids.

SECTION 6. IC 36-1-12-14 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 14. (a) This section applies to public work contracts in excess of one hundred thousand dollars (\$100,000) for projects other than highways, roads, streets, alleys, bridges, and appurtenant structures situated on streets, alleys, and dedicated highway rights-of-way. This section also applies to a lessor corporation qualifying under IC 21-5-11 or IC 21-5-12 or any

other lease-back arrangement containing an option to purchase, notwithstanding the statutory provisions governing those leases.

(b) A board that enters into a contract for public work, and a contractor who subcontracts parts of that contract, shall include in their respective contracts provisions for the retainage of portions of payments by the board to contractors, by contractors to subcontractors, and for the payment of subcontractors. ~~Either the board or At the discretion of the contractor, or both, shall place the retainage shall either be held by the board or be placed in an escrow account, with a bank, savings and loan institution, or the state as the escrow agent. The escrow agent shall be selected by mutual agreement between board and contractor or contractor and subcontractor under a written agreement among the bank or savings and loan institution and:~~

- (1) the board and the contractor; or
- (2) the subcontractor and the contractor.

The board shall not be required to pay interest on the amounts of retainage that it holds under this section.

(c) To determine the amount of retainage to be withheld, the board shall:

- (1) withhold no more than ten percent (10%) of the dollar value of all work satisfactorily completed until the public work is fifty percent (50%) completed, and nothing further after that; or
- (2) withhold no more than five percent (5%) of the dollar value of all work satisfactorily completed until the public work is substantially completed.

If upon substantial completion of the public work minor items remain uncompleted, an amount computed under subsection (f) of this section shall be withheld until those items are completed.

(d) The escrow agreement must contain the following provisions:

- (1) The escrow agent shall invest all escrowed principal in obligations selected by the escrow agent.
- (2) The escrow agent shall hold the escrowed principal and income until receipt of notice from the board and the contractor, or the contractor and the subcontractor, specifying the part of the escrowed principal to be released from the escrow and the person to whom that portion is to be released. After receipt of the notice, the escrow agent shall remit the designated part of escrowed principal and the same proportion of then escrowed income to the person specified in the notice.
- (3) The escrow agent shall be compensated for the agent's services. The parties may agree on a reasonable fee comparable with fees being charged for the handling of escrow accounts of similar size and duration. The fee shall be paid from the escrowed income.

The escrow agreement may include other terms and conditions consistent with this subsection, including provisions authorizing the escrow agent to commingle the escrowed funds with funds held in other escrow accounts and limiting the liability of the escrow agent.

(e) The contractor shall furnish the board with a performance bond equal to the contract price. If acceptable to the board, the performance bond may provide for incremental bonding in the form of multiple or chronological bonds that, when taken as a whole, equal the contract price. The surety on the performance bond may not be released until one (1) year after the date of the board's final settlement with the contractor. The performance bond must specify that:

- (1) a modification, omission, or addition to the terms and conditions of the public work contract, plans, specifications, drawings, or profile;
- (2) a defect in the public work contract; or
- (3) a defect in the proceedings preliminary to the letting and awarding of the public work contract;

does not discharge the surety.

(f) ~~The board or escrow agent shall pay the contractor shall be paid in full, including all escrowed principal and escrowed income, by the board and escrow agent, within sixty-one (61) days after the date of substantial completion, subject to sections 11 and 12 of this chapter. Payment by the escrow agent shall include all escrowed principal and escrowed income. If within sixty-one (61) days after the date of substantial completion there remain uncompleted minor items, an amount equal to two hundred percent (200%) of the value~~

of each item as determined by the architect-engineer shall be withheld until the item is completed. Required warranties begin not later than the date of substantial completion.

(g) Actions against a surety on a performance bond must be brought within one (1) year after the date of the board's final settlement with the contractor.

(h) This subsection applies to public work contracts of less than two hundred fifty thousand dollars (\$250,000). The board may waive the performance bond requirement of subsection (e) and accept from a contractor an irrevocable letter of credit for an equivalent amount from an Indiana financial institution approved by the department of financial institutions instead of a performance bond. Subsections (e) through (g) apply to a letter of credit submitted under this subsection.

SECTION 7. IC 36-1-12-22 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: **Sec. 22. (a) For purposes of this section, the "actual cost" of a public work project includes:**

- (1) the actual cost of materials, labor equipment, and rental used in;**
 - (2) a reasonable rate for trucks and heavy equipment that are owned by the municipality or county and are used in; and**
 - (3) other expenses incidental to;**
- the performance of the project.**

(b) For purposes of this section, the "excess cost" of a public work project is the amount by which the actual cost of a public work project performed by a municipality or county with its own workforce under section 3 or 3.1 of this chapter exceeds one hundred five percent (105%) of the amount permitted under section 3.1(b) of this chapter.

(c) The state board of accounts shall calculate the excess costs incurred by a municipality or a county pursuant to its examination under IC 5-11-26.

(d) The auditor shall withhold from the distribution of motor vehicle highway account funds an amount equaling the sum of the excess costs incurred by a municipality or a county in the preceding fiscal year."

Renumber all SECTIONS consecutively.

(Reference is to SB 152 as printed January 18, 2002.)
and when so amended that said bill do pass.

Committee Vote: yeas 10, nays 0.

KUZMAN, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Public Health, to which was referred Engrossed Senate Bill 158, 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 11, nays 0.

C. BROWN, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Judiciary, to which was referred Engrossed Senate Bill 180, 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.

STURTZ, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Agriculture, Natural Resources and Rural Development, to which was referred Engrossed Senate Bill 193, 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, strike "(a) This section applies to the following:".

Page 1, strike line 4.

Page 1, line 5, strike "(A) more than".

Page 1, line 5, strike "fifteen".

Page 1, strike line 6.

Page 1, line 7, strike "(B) more than".

Page 1, line 8, delete "five thousand (5,000) but".

Page 1, delete line 9.

Page 1, line 10, strike "located in a county having a population of more than".

Page 1, delete lines 12 through 13.

Page 1, line 14, strike "(2) A municipality having a population of more than".

Page 1, line 16, delete "thirty-two thousand eight hundred".

Page 1, line 17, delete "(32,800) but less than thirty-three thousand (33,000)".

Page 1, line 17, strike "located in".

Page 2, line 1, strike "a county having a population or more than".

Page 2, line 3, delete "one hundred ten thousand (110,000) but less than".

Page 2, delete line 4.

Page 2, strike lines 5 through 7.

Page 2, line 8, strike "(4) A town having a population of more than".

Page 2, line 9, delete "nine thousand (9,000)".

Page 2, line 10, delete "but less than thirty thousand (30,000)".

Page 2, line 10, strike "located in a county".

Page 2, line 11, strike "having a population of more than".

Page 2, line 13, delete "one hundred eighty thousand (180,000) but less".

Page 2, delete lines 14 through 22.

Page 2, line 23, strike "(b)" and insert "(a)".

Page 2, line 23, strike "(c)," and insert "(b),".

Page 2, line 26, after "municipality;" insert "and".

Page 2, strike lines 27 through 29.

Page 2, line 30, strike "(3)" and insert "(2)".

Page 2, between lines 30 and 31, begin a new paragraph and insert:

"(b) This subsection applies to a municipality having a population of more than:

(1) fifteen thousand (15,000);

(2) five thousand (5,000) but less than six thousand three hundred (6,300);

(3) ten thousand (10,000) but less than fifteen thousand (15,000); or

(4) six thousand three hundred (6,300) but less than ten thousand (10,000);

located in a county having a population of more than one hundred thousand (100,000) but less than one hundred five thousand (105,000). In addition to fulfilling the requirements set forth in subsection (a), the territory that the municipality proposes to annex must have its entire area within the township within which the municipality is primarily located."

Page 2, strike lines 31 through 32.

Page 2, line 33, strike "(1) more than".

Page 2, line 34, delete "five thousand (5,000) but less than eight".

Page 2, line 35, delete "thousand (8,000);".

Page 2, line 35, strike "or".

Page 2, line 36, strike "(2) more than".

Page 2, line 37, delete "nine thousand (9,000) but".

Page 2, line 38, delete "less than twelve thousand five hundred (12,500)".

Page 2, line 38, strike "in a county".

Page 2, strike lines 39 through 40.

Page 2, line 41, strike "(d)" and insert "(c)".

Page 3, line 4, strike "(e)" and insert "(d)".

(Reference is to SB 193 as printed January 18, 2002.)

and when so amended that said bill do pass.

Committee Vote: yeas 11, nays 3.

LYTLE, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Public Health, to which was referred Engrossed Senate Bill 213, 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 11, nays 0.

C. BROWN, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Judiciary, to which was referred Engrossed Senate Bill 214, 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 4, after "intentionally" insert "**interferes with or**".

(Reference is to SB 214 as printed January 25, 2002.)

and when so amended that said bill do pass.

Committee Vote: yeas 10, nays 0.

STURTZ, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Public Policy, Ethics and Veterans Affairs, to which was referred Engrossed Senate Bill 239, 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 10, delete "railroad".

Page 2, line 11, delete "company;" and insert "**company, pipeline company, or utility company;**".

Page 2, line 11, delete "or".

Page 2, between lines 11 and 12, begin a new line triple block indented and insert:

"(vi) the property damaged was the pipe, cable, pole, tower, control, or communications system of a pipeline or utility company;

(vii) the property damaged was marked underground pipes or utilities or cathodic protection to a pipeline or utility; or"

Page 2, line 12, delete "(vi)" and insert "(viii)".

Page 2, line 18, after "of" insert "**common carrier pipeline or**".

(Reference is to SB 239 as printed January 18, 2002.)

and when so amended that said bill do pass.

Committee Vote: yeas 12, nays 0.

KUZMAN, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Judiciary, to which was referred Engrossed Senate Bill 252, 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 4, between lines 8 and 9, begin a new paragraph and insert:

"SECTION 6. IC 30-4-2.1 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]:

Chapter 2.1. Rules for Interpretation of Trusts

Sec. 1. In the absence of a contrary intent appearing in the trust, a trust shall be construed in accordance with the rules in this chapter.

Sec. 2. (a) Except as provided in subsection (b), in construing a trust naming as beneficiary a person described by relationship to the settlor or to another, a person adopted before:

(1) the person is twenty-one (21) years of age; and

(2) the death of the settlor;

shall be considered the child of the adopting parent or parents and not the child of the natural or previous adopting parents.

(b) If a natural parent or previous adopting parent marries the adopting parent before the settlor's death, the adopted

person shall also be considered the child of the natural or previous adopting parent.

(c) A person adopted by the settlor after the person becomes twenty-one (21) years of age shall be considered the child of the settlor. However, no other person is entitled to establish the relationship to the settlor through the child.

Sec. 3. A provision in a trust that provides, or has the effect of providing, that a beneficiary forfeits a benefit from the trust if the beneficiary contests the trust is void.

Sec. 4. (a) Except as provided in subsection (b) and section 5 of this chapter, when a settlor fails to provide in the settlor's trust for a child who is:

(1) born or adopted after the making of the settlor's trust; and

(2) born before or after the settlor's death;

the child is entitled to receive a share in the trust assets. The child's share of the trust assets shall be determined by ascertaining what the child's intestate share would have been under IC 29-1-2-1 if the settlor had died intestate. The child is entitled to receive a share of the trust assets equivalent in value to the intestacy share determined under IC 29-1-2-1.

(b) Subsection (a) does not apply to a child of the settlor if:

(1) it appears from the trust that the settlor intentionally failed to provide in the settlor's trust for the child; or

(2) when the trust was executed:

(A) the settlor had at least one (1) child known to the settlor to be living; and

(B) the settlor devised substantially all of the settlor's estate to the settlor's surviving spouse.

Sec. 5. (a) Except as provided in subsection (b), if at the time of the making of the trust, the settlor:

(1) believes a child of the settlor to be dead; and

(2) fails to provide for the child in the settlor's trust;

the child is entitled to receive a share in the trust assets. The child's share of the trust assets shall be determined by ascertaining what the child's intestate share would have been under IC 29-1-2-1 if the settlor had died intestate. The child is entitled to receive a share of the trust assets equivalent in value to the intestacy share determined under IC 29-1-2-1.

(b) Subsection (a) does not apply to a child of the settlor if it appears from the trust or from other evidence that the settlor would not have devised anything to the child had the settlor known that the child was alive.

Sec. 6. If a devise of real or personal property, not included in the residuary clause of the trust, is:

(1) void;

(2) revoked; or

(3) lapses;

the devise becomes a part of the residue and passes to the residuary beneficiary.

Sec. 7. (a) As used in this section, "descendant" includes the following:

(1) A child adopted before the child is twenty-one (21) years of age by:

(A) the settlor; or

(B) the settlor's descendants.

(2) A descendant of a child adopted as set forth in subdivision (1).

(3) A child who is born of the mother out of wedlock, in either of the following circumstances:

(A) The mother is a descendant of the settlor.

(B) The mother is the settlor.

(4) If the right of a child born out of wedlock to inherit from the father is or has been established in the manner provided under IC 29-1-2-7, the child, in either of the following circumstances:

(A) The father is a descendant of the settlor.

(B) The father is the settlor.

(5) A descendant of a child born out of wedlock as set forth in subdivisions (3) and (4).

(b) If:

(1) an estate, real or personal, is devised to a descendant of

the settlor; and
 (2) the beneficiary:
 (A) dies during the lifetime of the settlor before or after the execution of the trust; and
 (B) leaves a descendant who survives the settlor;
 the devise does not lapse, but the property devised vests in the surviving descendant of the beneficiary as if the beneficiary had survived the settlor and died intestate.

Sec. 8. Kindred of the half blood are entitled to receive the same trust interest that they would have received if they had been of the whole blood."

Page 4, line 32, strike "This subsection applies only to a trust executed after June 30,".

Page 4, line 33, strike "1996."

Page 5, line 1, delete ";" and insert ".".

Page 5, strike line 2.

Page 7, between lines 39 and 40, begin a new paragraph and insert:

"SECTION 12. IC 32-1-4.5-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 3. (a) A nonvested property interest is valid if:

(1) when the interest is created, the interest is certain to vest or terminate not later than twenty-one (21) years after the death of an individual then alive; or

(2) the interest either vests or terminates within ninety (90) years after the interest's creation; or

(3) the interest is in a trust and:

(A) the trust does not:

(i) require the accumulation of income; and

(ii) suspend the power of alienation;

for longer than specified in subdivision (1) or (2); or

(B) the trust:

(i) does not require the accumulation of income for longer than specified in subdivision (1) or (2); and

(ii) gives the trustee the power to sell trust assets.

(b) A general power of appointment not presently exercisable because of a condition precedent is valid if:

(1) when the power is created, the condition precedent is certain to be satisfied or become impossible to satisfy not later than twenty-one (21) years after the death of an individual then alive; or

(2) the condition precedent either is satisfied or becomes impossible to satisfy within ninety (90) years after the condition precedent's creation.

(c) A nongeneral power of appointment or a general testamentary power of appointment is valid if:

(1) when the power is created, the power is certain to be irrevocably exercised or otherwise to terminate not later than twenty-one (21) years after the death of an individual then alive; or

(2) the power is irrevocably exercised or otherwise terminates within ninety (90) years after the power's creation; or

(3) the power is created in a trust that meets the conditions of subsection (a)(3).

(d) In determining whether a nonvested property interest or a power of appointment is valid under subsection (a)(1), (b)(1), or (c)(1), the possibility that a child will be born to an individual after the individual's death is disregarded."

Renumber all SECTIONS consecutively.

(Reference is to SB 252 as reprinted February 5, 2002.)

and when so amended that said bill do pass.

Committee Vote: yeas 9, nays 1.

STURTZ, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Environmental Affairs, to which was referred Engrossed Senate Bill 259, 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 23, begin a new line blocked left

and insert:

"However, the rules adopted by the board may not require sources to report hazardous air pollutant emissions before January 1, 2004."

Page 2, line 24, delete "For purposes of" and insert "The environmental quality service council shall do the following:

(1) Develop and propose a plan for the creation and funding of an effective hazardous air pollutant monitoring program to address potential health risks from hazardous air pollutants posed by urban air and significant sources.

(2) Consider methods for the department of environmental management and state department of health to:

(A) request and receive hazardous air pollution release information in a timely and effective manner; and

(B) communicate to the public and the reporting sources (as defined in IC 13-11-2-213) the responses received as a result of the requests.

(3) Provide to the executive director of the legislative services agency before December 1, 2002:

(A) a report of its activities under subdivisions (1) and (2); and

(B) an outline of the hazardous air pollutant program plan developed and proposed under subdivision (1).

(b) This SECTION expires January 1, 2003.

SECTION 4. [EFFECTIVE UPON PASSAGE] (a) The department of environmental management and the state department of health shall do the following:

(1) Jointly develop a five (5) year hazardous air pollutant strategy that includes at least the following:

(A) An inventory of known hazardous air pollutant emissions in Indiana, including quantities and types of sources.

(B) An assessment of the quality and usefulness of existing data on hazardous air pollutant:

(i) emissions;

(ii) air quality monitoring; and

(iii) human health impacts.

(C) A description of the gaps in the existing data, alternatives to fill those gaps, and the departments' preferred approach among those alternatives.

(D) The departments' top ten (10) priorities to address significant risks posed by hazardous air pollutant releases and the basis for each priority.

(E) Based on available information, an inventory of commercial and industrial air pollutant sources, air pollutant source categories, and hazardous air pollutants that require additional study to determine potential human health impacts.

(F) A plan that identifies additional hazardous air pollutant data needs, including the:

(i) intended uses of;

(ii) processes to be used to collect; and

(iii) resources necessary to collect and assess;

the additional data.

(2) Provide the strategy developed under subdivision (1) in writing to the environmental quality service council before November 1, 2002.

(b) This SECTION expires January 1, 2003."

Page 2, delete lines 25 through 42.

Page 3, delete lines 1 through 28.

Renumber all SECTIONS consecutively.

(Reference is to SB 259 as printed January 30, 2002.)

and when so amended that said bill do pass.

Committee Vote: yeas 9, nays 0.

WEINZAPFEL, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Public Policy, Ethics and Veterans Affairs, to which was referred Engrossed Senate Bill 263, 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 12, nays 0.

KUZMAN, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Public Policy, Ethics and Veterans Affairs, to which was referred Engrossed Senate Bill 329, 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 7, after "body" insert "**that conducts a transaction through the computer gateway administered by the intelnet commission**".

Page 2, line 7, delete ":" and insert "**the state or a state agency.**".

Page 2, delete lines 8 through 14.

Page 2, line 23, after "body" insert "**for a transaction conducted through the computer gateway administered by the intelnet commission**".

Page 2, delete lines 27 through 36.

Page 2, line 37, delete "(c) The state or a state agency" and insert "**(b) A governmental body**".

Page 3, delete lines 17 through 42.

Delete pages 4 through 5.

(Reference is to SB 329 as reprinted February 5, 2002.)

and when so amended that said bill do pass.

Committee Vote: yeas 11, nays 1.

KUZMAN, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Rules and Legislative Procedures, to which was referred Engrossed Senate Bill 357, 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.

MOSES, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Judiciary, to which was referred Engrossed Senate Bill 360, 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 5, after "action" insert "**for**".

Page 1, line 6, delete "for".

Page 1, line 7, delete "for".

Page 1, line 7, delete "or" and insert "**and**".

Page 1, line 8, delete "to recover compensatory".

Page 1, line 9, delete "If a person is awarded".

Page 1, delete lines 10 through 11.

Page 1, after line 15, begin a new paragraph and insert:

"SECTION 2. IC 34-51-3-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 3. A jury in a case subject to this chapter may not be advised of

(+) the limitation on the amount of a punitive damage award under section 4 of this chapter. ~~or~~

(-) the requirement under section 6 of this chapter concerning allocation of money received in payment of a punitive damage award.

SECTION 3. IC 34-51-3-6 IS REPEALED [EFFECTIVE JULY 1, 2002]."

(Reference is to SB 360 as printed February 1, 2002.)

and when so amended that said bill do pass.

Committee Vote: yeas 8, nays 2.

STURTZ, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Rules and Legislative Procedures, to which was referred Engrossed Senate Bill 363, 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.

MOSES, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Agriculture, Natural Resources and Rural Development, to which was referred Engrossed Senate Bill 366, 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 4, line 20, after "animal" insert "**for participation in an animal fighting contest**".

Page 4, line 22, delete "involving" and insert "**that involves**".

Page 4, line 22, after "lure" insert "**and that is used to train an animal for participation in an animal fighting contest**".

(Reference is to SB 366 as reprinted January 29, 2002.)

and when so amended that said bill do pass.

Committee Vote: yeas 14, nays 0.

LYTLE, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Public Policy, Ethics and Veterans Affairs, to which was referred Engrossed Senate Bill 367, 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:

Replace the effective dates in SECTIONS 1 through 32 with "[EFFECTIVE JANUARY 1, 2003]".

Page 2, line 17, delete "IC 5-2-12" and insert "**IC 5-2-12**".

Page 3, line 31, delete "~~IC 5-2-12~~" and insert "**IC 5-2-12**".

Page 3, line 31, delete ",".

Page 6, line 1, delete "website" and insert "**web site**".

Page 6, line 2, delete "a sex offender website" and insert "**the Indiana sheriffs' sex offender registry web site**".

Page 6, line 3, delete "maintained by a county sheriff" and insert "**established**".

Page 7, line 7, delete "IC 5-2-12" and insert "IC 5-2-12".

Page 8, line 41, after "resides" insert ".".

Page 8, line 41, after "or" delete ".".

Page 9, line 17, delete "." and insert ".".

Page 9, line 18, delete "sheriff".

Page 9, line 18, after "authority" insert "**sheriff**".

Page 9, line 31, delete "a website that is maintained by the sheriff" and insert "**the Indiana sheriffs' sex offender registry web site established**".

Page 10, line 15, after "Indiana" insert ".".

Page 10, line 15, after "for" delete ".".

Page 13, line 39, delete "." and insert ".".

Page 25, delete lines 25 through 42.

Page 26, delete lines 1 through 7.

Page 26, line 10, delete "Every sheriff shall" and insert "The sheriffs shall jointly".

Page 26, line 11, delete "website" and insert "**web site, known as the Indiana sheriffs' sex offender registry,**".

Page 26, line 13, delete "in the sheriff's county." and insert "**within Indiana. The web site must provide information regarding each sex offender, organized by county of residence.**".

Page 26, line 14, delete "website" and insert "**web site**".

Page 26, line 17, after "with" delete "the" and insert "**a**".

Page 26, line 19, delete "who resides in the" and insert ".".

Page 26, delete line 20.

Page 26, line 26, delete "website" and insert "**web site**".

Page 26, line 40, delete "these" and insert "**those**".

Page 27, line 5, delete "website" and insert "**web site**".

Page 27, line 6, delete "website" and insert "**web site**".

Page 27, delete lines 8 through 9.

Page 27, line 10, delete "(3)" and insert "**(2)**".

Page 27, line 11, delete "(4)" and insert "**(3)**".

Page 27, line 34, after "furnishings," insert "**cameras and photographic equipment**".

Page 28, line 7, delete "a" and insert "**the**".

Page 28, line 7, delete "website (IC 36-2-13-5.5);" and insert "**web site under IC 36-2-13-5.5**";.

Page 28, delete lines 20 through 32.

Renumber all SECTIONS consecutively.

(Reference is to SB 367 as printed January 25, 2002.)

and when so amended that said bill do pass.

Committee Vote: yeas 10, nays 0.

KUZMAN, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Agriculture, Natural Resources and Rural Development, to which was referred Engrossed Senate Bill 381, 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 12, nays 0.

LYTLE, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Elections and Apportionment, to which was referred Engrossed Senate Bill 399, 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 37, line 8, reset in bold "**twenty-seven thousand four**".

Page 37, reset in bold line 9.

Page 37, line 10, reset in bold "**(27,500)**".

Page 101, line 30, delete "(14,000)" and insert "**five hundred (14,500)**".

Page 120, delete lines 31 through 42, begin a new paragraph and insert:

"SECTION 144. IC 25-34.1-2-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE APRIL 1, 2002]: Sec. 1. (a) The Indiana real estate commission is created. ~~It~~

(b) The commission consists of ~~one (1)~~ the following:

(1) Nine (9) district member from members. Each Indiana congressional district ~~of this state and must be represented by one (1) individual appointed under this subdivision.~~

(2) One (1) real estate member at large.

(3) Two (2) citizen members at large.

A ~~district member described in subdivision (1)~~ must be a resident of the represented district for not less than one (1) year. ~~and A member described in subdivision (1) or (2) must~~ have engaged in business as a license broker for not less than five (5) years. **Citizen members at large shall be appointed to represent the general public, and must be residents of this state who Indiana, and must** have never been associated with the real estate business in any way other than as a consumer.

~~(b)~~ **(c)** Each member of the commission shall be appointed by the governor and shall serve a four (4) year term. If a successor has not been appointed, the current member shall serve until a successor is appointed and qualified. If a vacancy occurs on the commission, the governor shall appoint an individual to serve the unexpired term of the previous member and until a successor is appointed and qualified.

~~(c)~~ **(d)** A member of the commission may ~~not~~ hold a state or federal elective office."

Page 121, delete lines 1 through 10.

Page 150, line 20, delete "IC 36-2-13-2.5-(b)(4)" and insert "**IC 36-2-13-2.5(b)(4)**".

Renumber all SECTIONS consecutively.

(Reference is to SB 399 as reprinted January 23, 2002.)

and when so amended that said bill do pass.

Committee Vote: yeas 12, nays 0.

MOSES, Vice Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Judiciary, to which was referred Engrossed Senate Bill 410, 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, delete lines 1 through 12.

Renumber all SECTIONS consecutively.

(Reference is to SB 410 as printed January 25, 2002.)

and when so amended that said bill do pass.

Committee Vote: yeas 10, nays 0.

STURTZ, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Agriculture, Natural Resources and Rural Development, to which was referred Engrossed Senate Bill 415, 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 13, nays 0.

LYTLE, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Rules and Legislative Procedures, 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 do pass.

Committee Vote: yeas 9, nays 0.

MOSES, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Agriculture, Natural Resources and Rural Development, to which was referred Engrossed Senate Bill 417, 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 3, between lines 22 and 23, begin a new paragraph and insert:

"SECTION 3. IC 14-22-39-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 2. (a) A conservation officer may issue a summons for a violation committed within the view of the conservation officer if the defendant promises to appear by signing the summons.

(b) A defendant who fails to appear as commanded by the summons:

(1) is in contempt of court; and

(2) may be fined not more than twenty dollars (\$20).

(c) Upon a failure to appear, the court shall **do the following**:

(1) Issue a warrant for the arrest of the defendant.

(2) If the defendant has an Indiana driver's license or permit:

(A) issue an order to suspend the defendant's driver's license or permit until the defendant appears in court and the case is disposed of; and

(B) forward notice of the order to the bureau of motor vehicles.

(3) If the defendant has a driver's license or permit issued by a state other than Indiana, forward notice of the defendant's failure to appear to the bureau of motor vehicles. The bureau of motor vehicles shall:

(A) notify the driver licensing authority of the defendant's state of the defendant's failure to appear;

and
(B) request that the defendant's state take appropriate action under the laws of that state until the defendant appears in court and the case is disposed of."

Renumber all SECTIONS consecutively.
 (Reference is to SB 417 as printed January 30, 2002.)
 and when so amended that said bill do pass.

Committee Vote: yeas 12, nays 1.

LYTLE, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Rules and Legislative Procedures, to which was referred Engrossed Senate Bill 422, 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 1.

MOSES, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Rules and Legislative Procedures, to which was referred Engrossed Senate Bill 423, 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.

MOSES, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Public Policy, Ethics and Veterans Affairs, to which was referred Engrossed Senate Bill 426, 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 12, nays 0.

KUZMAN, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Agriculture, Natural Resources and Rural Development, to which was referred Engrossed Senate Bill 461, 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 7, delete "sewage, treated or untreated," and insert "**treated sewage**".

(Reference is to SB 461 as reprinted February 4, 2002.)
 and when so amended that said bill do pass.

Committee Vote: yeas 10, nays 3.

LYTLE, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Agriculture, Natural Resources and Rural Development, to which was referred Engrossed Senate Bill 466, 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 12, nays 0.

LYTLE, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Agriculture, Natural Resources and Rural Development, to which was referred Engrossed Senate Bill 491, 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 13, nays 0.

LYTLE, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Rules and Legislative Procedures, to which was referred Engrossed Senate Bill 501, 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 education.

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

"SECTION 1. IC 20-12-8-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 1. (a) The trustees of Indiana University, the trustees of Purdue University, Indiana State University board of trustees, the University of Southern Indiana board of trustees, and the Ball State University board of trustees are authorized and empowered, from time to time, if the governing boards of these corporations find that a necessity exists, to erect, construct, reconstruct, extend, remodel, improve, complete, equip, furnish, operate, control and manage:

(1) dormitories and other housing facilities for single and married students and school personnel;

(2) food service facilities;

(3) student infirmaries and other health service facilities including revenue-producing hospital facilities serving the general public, together with parking facilities and other appurtenances in connection with any of the foregoing; ~~or~~

(4) parking facilities in connection with academic facilities; ~~or~~
(5) medical research facilities associated with a school of medicine, if the facilities will generate revenue from state, federal, local, or private gifts, grants, contractual payments, or reimbursements in an amount that is reasonably expected to at least equal the annual debt service requirements of the bonds for the facility for each fiscal year that the bonds are outstanding;

at or in connection with Indiana University, Purdue University, Indiana State University, the University of Southern Indiana, and Ball State University, for the purposes of the respective institutions. These corporations are also authorized and empowered to acquire, by purchase, lease, condemnation, gift or otherwise, any property, real or personal, that in the judgment of these corporations is necessary for the purposes set forth in this section. The corporations may improve and use any property acquired for the purposes set forth in this section.

(b) Title to all property so acquired, including the improvements located on the property, shall be taken and held by and in the name of the corporations. If the governing board of any of these corporations determines that real estate, the title to which is in the name of the state, for the use and benefit of the corporation or institution under its control, is reasonably required for any of the purposes set forth in this section, the real estate may, upon request in writing of the governing board of the corporation to the governor of the state and upon the approval of the governor, be conveyed by deed from the state to the corporation. The governor shall be authorized to execute and deliver the deed in the name of the state, signed on behalf of the state by the governor, attested by the auditor of state and with the seal of the state affixed to the deed.

SECTION 2. IC 20-12-75-12, AS ADDED BY P.L.273-1999, SECTION 203, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 12. (a) A community college policy committee shall be created to:

(1) oversee the implementation of the community college system, including the selection of the sites at which the community college system will be offered and the timetable for implementing these sites;

(2) review the broad policies and principles to be used to carry out and guide the implementation; and

(3) serve as a communication link among the two (2) boards of trustees and the commission for higher education with regard to implementing the community college system.

(b) The community college policy committee shall not exercise any powers that have been assigned to the Vincennes University board of trustees, the Ivy Tech State College state board of trustees, or the commission for higher education.

(c) The community college policy committee consists of three (3) members of the Vincennes University board of trustees, three (3) members of the Ivy Tech State College state board of trustees, and five (5) members appointed by the governor. The president of Vincennes University, the president of Ivy Tech State College, and the commissioner for higher education shall serve as ex officio members of the community college policy committee.

(d) Notwithstanding any law, Vincennes University and Ivy Tech State College may not take any action, including the spending of any funds, that frustrates the goals of the community college system.

SECTION 3. [EFFECTIVE JULY 1, 2002] The trustees of Indiana University are authorized to issue bonds under IC 20-12-8, subject to approvals required in IC 20-12-6 and IC 20-12-5.5, for the purpose of funding the costs of acquisition and renovation of the University Place Hotel on the Indianapolis Campus, and to acquire and renovate the hotel facility, so long as the principal costs of any bonds issued do not exceed thirty million dollars (\$30,000,000). For purposes of this SECTION, "principal costs" of the bonds include all acquisition, renovation, installation, planning, and other related costs, but do not include additional costs incidental to the financing that may also be financed in addition thereto. Bonds issued under the authority of this SECTION are not entitled to fee replacement appropriations. "

Page 2, between lines 1 and 2, begin a new line block indented and insert:

"(4) Vincennes University."

Page 2, delete lines 10 through 20, begin a new paragraph and insert:

"(f) The budget agency may not enter into a sublease under subsection (e) unless the following conditions are met:

(1) The total:

(A) acquisition;

(B) construction;

(C) initial installation; and

(D) initial equipping;

costs for the Columbus Learning Center that are to be financed through lease rental revenue bonds is twenty-five million dollars (\$25,000,000) or less, excluding amounts necessary to provide money for debt service reserves, credit enhancement, or other costs incidental to the issuance of bonds.

(2) The director of the budget agency has certified in writing to the legislative council that there is an unmet higher education need that the Columbus Learning Center will correct."

Page 2, between lines 35 and 36, begin a new paragraph and insert:

"SECTION 5. [EFFECTIVE UPON PASSAGE] The board of trustees of Vincennes University may issue and sell bonds under IC 20-12-6, subject to the approvals required by IC 20-12-5.5 and IC 23-13-18, for a Technology Building, a Performing Arts Center, and a Recreation Building, so long as the sum of principal costs of any bonds authorized by this act for those projects, excluding amounts necessary to provide money for debt service reserves, credit enhancement, or other costs incidental to the issuance of the bonds, does not exceed twenty-five million dollars (\$25,000,000). The projects are eligible for fee replacement.

SECTION 6. [EFFECTIVE JULY 1, 2002] (a) The provisions of this SECTION apply notwithstanding P.L. 291-2001.

(b) The trustees of Vincennes University and Ivy Tech State

College, and their respective institutions, are no longer subject to the requirement that they not increase the total Indiana resident student tuition fees and academic facilities fees in exchange for certain appropriations under P.L. 291-2001, SECTION 5. The requirement to freeze tuition and fees as a condition of receiving their respective total operating expense appropriation for the state fiscal year beginning July 1, 2002, is void.

(c) This SECTION expires July 1, 2003."

Renumber all SECTIONS consecutively.

(Reference is to SB 501 as printed February 1, 2002.)

and when so amended that said bill do pass.

Committee Vote: yeas 8, nays 0.

MOSES, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Agriculture, Natural Resources and Rural Development, to which was referred Engrossed Senate Bill 508, 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 6, line 11, delete "all of".

Page 7, line 9, delete "engineering" and insert **"technical"**.

Page 8, delete lines 5 through 8, begin a new line block indented and insert:

"(1) have a professional:

(A) engineer licensed under IC 25-31; or

(B) geologist who is:

(i) licensed under IC 25-17.6; and

(ii) experienced in technical aspects of dams or dam design;

make a technical inspection of the high hazard structure and prepare or revise the emergency action plan for the structure at least one (1) time every two (2) years;".

Page 8, line 21, after "engineer" insert **"or licensed professional geologist"**.

Page 8, line 34, delete "an engineering" and insert **"a technical"**.

Page 8, line 36, delete "an engineering" and insert **"a technical"**.

Page 9, line 40, after "engineers," insert **"geologists,"**.

Page 9, line 42, delete "engineering" and insert **"technical"**.

Page 10, line 5, after "engineers," insert **"geologists,"**.

(Reference is to SB 508 as printed January 30, 2002.)

and when so amended that said bill do pass.

Committee Vote: yeas 13, nays 0.

LYTLE, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Public Policy, Ethics and Veterans Affairs, to which was referred Engrossed Senate Bill 516, 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 12, nays 0.

KUZMAN, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Rules and Legislative Procedures, to which was referred Engrossed Senate Bill 518, 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 "a provider that meets the" and insert **"the criteria and procedures determined in items (i) and (ii) must include an option for the county and the community mental health center to initiate a request for a change in primary service area or provider assignment."**

Page 2, delete lines 21 through 25, begin a new line triple block indented and insert:

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

Page 3, between lines 38 and 39, begin a new paragraph and insert:

"SECTION 2. IC 12-29-2-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 3. In situations described in section ~~2(1)~~ **2(a)(1)** or ~~2(3)~~ **2(a)(3)** of this chapter, the county's maximum appropriation for part of the total operating budget of the center is determined as follows:

STEP ONE: Divide the total county population ~~served by the center by the total population served by the center~~ **of the county residing in the primary service area of the community mental health center that is certified by the division of mental health and addiction to serve the county.**
STEP TWO: Multiply the ~~fraction amount~~ determined in STEP ONE by the total operating budget of the center after the operating budget of the center is reduced by the following anticipated amounts:

- (A) Gifts, except bequests.
- (B) Merchandise.
- (C) Fees.
- (D) Federal grants for direct service, except research and demonstration grants."

Page 3, line 41, strike "2(2)" and insert "**2(a)(2)**".

Page 3, line 42, strike "2(4)" and insert "**2(a)(4)**".

Page 4, line 2, strike "2(1)" and insert "**2(a)(1)**".

Page 4, line 2, strike "2(3)" and insert "**2(a)(3)**".

Page 4, line 5, delete "The" and insert "**Except for a county containing a consolidated city, the**".

Page 4, line 9, strike "2(2)" and insert "**2(a)(2)**".

Page 4, line 10, after "of the" insert "**county's**".

Page 4, line 10, after "population" insert "**served by**".

Page 4, line 11, delete "served by" and insert "**of**".

Page 4, line 11, after "center" insert "**, which is certified by the division of mental health and addiction to serve the county,**".

Page 4, line 14, strike "2(4)" and insert "**2(a)(4)**".

Page 4, line 16, before "population" insert "**county's**".

Page 4, line 16, after "population" insert "**served by**".

Page 4, line 16, delete "served by" and insert "**of**".

Page 4, line 17, after "center" insert "**, which is certified by the division of mental health and addiction to serve the county,**".

Page 4, between lines 17 and 18, begin a new paragraph and insert:

"SECTION 4. IC 12-29-2-15 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: **Sec. 15. (a) A community mental health center that:**

- (1) is certified by the division of mental health and addiction;**
- (2) receives county funding from one (1) or more counties under this chapter; and**
- (3) is not administered by a hospital licensed under IC 16-21-2;**

shall include a member of a county fiscal body, or a county fiscal body's designee, on the center's governing board. The member shall be selected by the county fiscal body of the county where the community mental health center maintains its corporate mailing address. The county fiscal body representative must reside in one (1) of the counties in the community mental health center's primary service area.

(b) A community mental health center that:

- (1) is certified by the division of mental health and addiction;**
- (2) receives county funding from one (1) or more counties under this chapter; and**
- (3) is administered by a hospital licensed under IC 16-21-2;**

shall include a member of a county fiscal body, or a county fiscal body's designee, on the center's advisory board. The member shall be selected by the county fiscal body of the county where the community mental health center maintains its corporate mailing address. The county fiscal body representative must reside in one (1) of the counties in the community mental health center's primary service area.

SECTION 5. IC 12-29-2-16 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: **Sec. 16. A community mental health center that is certified by the division of mental health and addiction shall provide an annual report to the fiscal body of each county from which the center receives funding under this chapter.**"

Renumber all SECTIONS consecutively.

(Reference is to SB 518 as reprinted February 5, 2002.)

and when so amended that said bill do pass.

Committee Vote: yeas 10, nays 0.

MOSES, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Public Health, to which was referred Engrossed Senate Bill 528, 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 12, nays 0.

C. BROWN, Chair

Report adopted.

The House recessed until the fall of the gavel.

RECESS

The House reconvened at 11:30 a.m. with the Speaker in the Chair.

ENROLLED ACTS SIGNED

The Speaker announced that he had signed House Enrolled Acts 1010, 1143, and 1188 on February 21.

ENGROSSED SENATE BILLS ON SECOND READING

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 137, 149, 153, 154, 216, 230, 412, 443, and 513.

Engrossed Senate Bill 22

Representative Lytle called down Engrossed Senate Bill 22 for second reading. The bill was read a second time by title.

HOUSE MOTION (Amendment 22-2)

Mr. Speaker: I move that Engrossed Senate Bill 22 be amended to read as follows:

Page 5, between lines 21 and 22, begin a new paragraph and insert:

"SECTION 6. IC 14-22-12-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 8. (a) Except as provided in subsection (b), each license agent who is authorized to sell licenses under this article shall retain a ~~seventy-five cent (\$0.75)~~ **one dollar twenty-five cent (\$1.25)** service fee for each license sold.

(b) The subagents of the clerk of the circuit court are entitled to a ~~fifty cent (\$0.50)~~ **one dollar (\$1.00)** service fee for each license sold. The remaining twenty-five cents (\$0.25) of the service fee shall be retained by the clerk of the circuit court or the distributing agent who distributes licenses to the subagents."

Renumber all SECTIONS consecutively.
(Reference is to ESB 22 as printed February 15, 2002.)

HOFFMAN

Representative Moses 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.

HOUSE MOTION
(Amendment 22-1)

Mr. Speaker: I move that Engrossed Senate Bill 22 be amended to read as follows:

Page 7, between lines 39 and 40, begin a new paragraph and insert:

"(e) This subsection applies only if the human remains are on property owned or leased by a coal company. The remains, either cremated or uncremated, of a deceased human may be removed from a cemetery by a coal company if the coal company obtains a court order authorizing the disinterment, disentombment, or disinurnment. Before issuing a court order under this subsection, a court must conduct a hearing and be satisfied as to the following:

(1) That the property is owned or leased by the coal company.

(2) That the coal company has obtained the written consent of:

(A) the spouse of the deceased; or

(B) the parents of the deceased in the case of a deceased minor child;

authorizing the disinterment, disentombment, or disinurnment. If the consent is not available, the court may waive the requirement after considering the viewpoint of any issue (as defined in IC 29-1-1-3) of the deceased.

(3) That the department of natural resources, division of historic preservation and archeology, has received at least five (5) days written notice of the time, date, and place of any hearing under this subsection. The notice must describe the proposed place from which the remains will be removed.

(4) That a licensed funeral director has agreed to:

(A) be present at the removal and at the reinterment, reentombment, or reinurnment of the remains; and

(B) cause the completed order of the state department of health to be recorded in the office of the county recorder of the county where the removal occurred.

(5) That the coal company has caused a notice of the proposed removal to be published at least five (5) days before the hearing in a newspaper of general circulation in the county where the removal will occur.

(6) That the coal company will notify the department of natural resources, division of historic preservation and archeology after the hearing of the proposed time and date when the remains will be removed. "

Page 7, line 40, delete "(e)" and insert "(f)".

(Reference is to ESB 22 as printed February 15, 2002.)

LYTLE

Motion prevailed. The bill was ordered engrossed.

Engrossed Senate Bill 178

Representative Kuzman called down Engrossed Senate Bill 178 for second reading. The bill was read a second time by title.

HOUSE MOTION
(Amendment 178-2)

Mr. Speaker: I move that Engrossed Senate Bill 178 be amended to read as follows:

Page 8, between lines 35 and 36, begin a new paragraph and insert:

"SECTION 6. IC 31-14-6-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 1. (a) Upon the motion of any party, the court shall order all of the parties to a paternity action to undergo blood or genetic testing. A qualified expert approved by the court shall perform the tests.

(b) The testing requirement under subsection (a) shall be enforced notwithstanding an admission or stipulation of paternity to the court."

Renumber all SECTIONS consecutively.
(Reference is to ESB 178 as printed February 19, 2002.)

THOMPSON

Motion failed. The bill was ordered engrossed.

Engrossed Senate Bill 269

Pursuant to House Rule 143, the sponsor of Engrossed Senate Bill 269, Representative Kromkowski, granted consent to the cosponsor, Representative Welch, to call the bill down for second reading. Representative Welch called down Engrossed Senate Bill 269 for second reading. The bill was read a second time by title.

HOUSE MOTION
(Amendment 269-1)

Mr. Speaker: I move that Engrossed Senate Bill 269 be amended to read as follows:

Page 1, between lines 14 and 15, begin a new paragraph and insert:

"(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."

(Reference is to ESB 269 as printed February 15, 2002.)

HINKLE

Motion prevailed. The bill was ordered engrossed.

Engrossed Senate Bill 283

Representative Weinzapfel called down Engrossed Senate Bill 283 for second reading. The bill was read a second time by title.

HOUSE MOTION
(Amendment 283-1)

Mr. Speaker: I move that Engrossed Senate Bill 283 be amended to read as follows:

Page 2, delete lines 2 through 26, begin a new paragraph and insert:

"SECTION 2. IC 13-21-3-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. (a) Except as provided in subsection (b), each county shall, by ordinance of the county executive:

(1) join with one (1) or more other counties in establishing a joint solid waste management district that includes the entire area of all the acting counties; or

(2) designate itself as a county solid waste management district.

(b) Notwithstanding subsection (a)(1), if a county withdraws from a joint solid waste management district under IC 13-21-4, the county executive of the county may adopt an ordinance to join another or establish another joint solid waste management district with one (1) or more other counties:

(1) not earlier than fifteen (15) days; or

(2) not later than forty-five (45) days;

after the date the ordinance is introduced.

(c) An ordinance adopted under subsection (a)(1) or (b) must include the approval of an agreement governing the operation of the joint district.

(e) (d) If a county fails to comply with subsection (a) before July 2, 1991; this section, the commissioner shall designate the county as a solid waste management district.

SECTION 3. IC 13-21-4-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. (a) If a county seeks to withdraw from a joint district that consists of more than two (2) counties, the county executive must:

(1) adopt two (2) identical resolutions:

(A) at least fifteen (15) days apart; and

(B) not more than forty-five (45) days apart; and

(2) submit a ~~resolution both resolutions~~ to the board of the joint district and to the commissioner. ~~that specifies the following:~~ (†)

The resolution must specify that the county seeks to withdraw ~~withdraws~~ from the joint district.

(2) ~~The reasons for the withdrawal:~~

(b) If a county seeks to withdraw from and dissolve a joint district that consists of only two (2) counties, the county executive must:

(1) adopt **two (2) identical resolutions:**

(A) **at least fifteen (15) days apart; and**

(B) **not more than forty-five (45) days apart; and**

(2) submit a ~~resolution both resolutions~~ to the county executive of the other county and to the commissioner. ~~that specifies the following:~~ (†)

The resolution must specify that the county seeks to withdraw ~~withdraws~~ from and ~~dissolve dissolves~~ the joint district.

(2) ~~The reasons for the withdrawal and dissolution:~~

(c) If a joint district that consists of more than two (2) counties seeks to remove a county from the joint district, the county executive of each county that would remain in the joint district after the county is removed must:

(1) adopt **two (2) identical resolutions:**

(A) **at least fifteen (15) days apart; and**

(B) **not more than forty-five (45) days apart; and**

(2) submit a ~~resolution both resolutions~~ to the county executive of the county that would be removed and to the commissioner. ~~that specifies the following:~~

(†)

The resolution must specify that the joint district seeks to remove ~~removes~~ the county from the joint district.

(2) ~~The reasons for the removal:~~

Page 2, line 32, delete "a resolution" and insert "**both resolutions**".

Page 2, line 35, delete "resolution" and insert "**resolutions**".

Page 2, line 38, delete "a resolution" and insert "**both resolutions**".

Page 2, line 41, delete "resolution" and insert "**resolutions**".

Page 3, line 3, delete "a resolution" and insert "**all the resolutions**".

Page 3, line 6, delete "resolution" and insert "**resolutions**".

Page 3, line 12, strike "a resolution" and insert "**the identical resolutions**".

Page 3, line 34, delete "resolution" and insert "**identical resolutions**".

Page 3, line 36, strike "takes" and insert "**take**".

Page 4, line 12, delete "resolution" and insert "**identical resolutions**".

Page 4, line 13, strike "takes" and insert "**take**".

Page 6, line 1, delete "resolution" and insert "**identical resolutions**".

Page 6, line 2, delete "takes" and insert "**take**".

Page 6, line 9, delete "resolution," and insert "**identical resolutions,**".

Page 6, line 15, delete "resolution" and insert "**identical resolutions**".

Page 6, line 16, delete "takes" and insert "**take**".

Page 6, line 22, delete "resolution," and insert "**identical resolutions,**".

Page 7, line 18, delete "resolution" and insert "**identical resolutions**".

Page 7, line 19, delete "takes" and insert "**take**".

Page 7, line 25, delete "resolution," and insert "**identical resolutions,**".

Page 7, line 37, delete "resolution" and insert "**identical resolutions**".

Page 7, line 38, delete "takes" and insert "**take**".

Page 8, line 2, delete "resolution," and insert "**identical resolutions,**".

Page 8, line 16, delete "resolution" and insert "**identical resolutions**".

Page 8, line 17, delete "takes" and insert "**take**".

Page 8, line 23, delete "resolution," and insert "**identical resolutions,**".

Renumber all SECTIONS consecutively.

(Reference is to ESB 283 as printed February 19, 2002.)

THOMPSON

Motion prevailed. The bill was ordered engrossed.

Engrossed Senate Bill 292

Representative Porter called down Engrossed Senate Bill 292 for second reading. The bill was read a second time by title.

HOUSE MOTION

(Amendment 292-2)

Mr. Speaker: I move that Engrossed Senate Bill 292 be amended to read as follows:

Page 4, after line 3, begin a new paragraph and insert:

"SECTION 6. IC 20-12-23-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 2. The board of trustees of the state university shall be ~~nine (9)~~ **ten (10)** in number, of whom not more than two (2), excluding the student trustee appointed pursuant to IC 20-12-24-3.5 **and the nonvoting faculty trustee elected under IC 20-12-24-3.6**, shall reside in the same county; and they and their successors shall be a body politic, with the style of "The Trustees of Indiana University"; in that name to sue and be sued; to elect one (1) of their number president; to elect a treasurer, secretary, and such other officers as they may deem necessary, to prescribe the duties and fix the compensation of such officers; to possess all the real and personal property of such university for its benefit; to take and hold, in their corporate name any real or personal property for the benefit of such institution; to expend the income of the university for its benefit; to declare vacant the seat of any trustee who shall absent himself from two (2) successive meetings of the board, or be guilty of any gross immorality or breach of the bylaws of the institution; to elect a president, such professors and other officers for such university as shall be necessary, and prescribe their duties and salaries; to employ other persons as necessary; to establish programs of fringe benefits and retirement benefits for the university's officers, faculty, and other employees that may be supplemental to or in lieu of state retirement programs established by statute for public employees; to prescribe the course of study and discipline and price of tuition in such university; and to make all bylaws necessary to carry into effect the powers hereby conferred.

SECTION 7. IC 20-12-23-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 4. ~~Five (5)~~ **Six (6)** of such trustees shall constitute a quorum; and, in case an emergency is declared by the faculty, after there shall have been a called session, at which the other members failed to attend, the three **(3)** trustees residing in the county of Monroe may fill vacancies in the faculty of the university and the board of trustees; and, in case there should not be three (3) trustees in attendance upon such emergency, then those that are in attendance, together with such members of the faculty as may be in attendance, shall fill such vacancies; but appointments thus made shall expire at the next meeting of the board.

SECTION 8. IC 20-12-24-3.6 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 3.6. **One (1) member of the board of trustees shall:**

(1) **be a member of the faculty of Indiana University who holds the rank of assistant professor or higher;**

(2) **be elected under IC 20-12-64.5 by secret ballot by all Indiana University employees who hold the rank of assistant professor or higher;**

(3) **serve a three (3) year term beginning July 1, or, if a vacancy occurs, for the remainder of the unexpired term of the previous faculty trustee;**

(4) **be eligible for reelection as faculty trustee if the person remains a member of the faculty of Indiana University; and**

(5) **not be entitled to vote as a member of the board of trustees.**

SECTION 9. IC 20-12-37-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 1. The board of

trustees of Purdue University shall consist of ~~ten (10)~~ **eleven (11)** members, to be appointed **or elected** for such term of service and in such manner as is herein provided, and that the terms of all trustees shall terminate on the first day of July of the year in which their terms of office expire.

SECTION 10. IC 20-12-37-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 2. **(a)** The governor of the state of Indiana shall appoint ten (10) trustees for Purdue University for the term beginning on the first day of July, which trustees and their successors shall be appointed as hereinafter provided. **In addition, one (1) nonvoting member of the Purdue University board of trustees shall be elected under subsection (b).**

(b) One (1) member of the board of trustees shall:

- (1) be a member of the faculty of Purdue University who holds the rank of assistant professor or higher;**
- (2) be elected by secret ballot by the Purdue University faculty senate;**
- (3) serve a three (3) year term beginning July 1, or, if a vacancy occurs, for the remainder of the unexpired term of the previous faculty trustee;**
- (4) be eligible for reelection as faculty trustee if the person remains a member of the faculty of Purdue University; and**
- (5) not be entitled to vote as a member of the board of trustees.**

SECTION 11. IC 20-12-56-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 3. **(a)** The Indiana State University board of trustees shall be composed of ~~nine (9)~~ **ten (10)** trustees. The governor shall appoint to the board seven (7) competent persons, one (1) of whom must be a student, and two (2) additional competent persons, alumni of the university, nominated by the alumni council of the university, shall be appointed by the governor. There shall be one (1) or more women on the duly constituted board. **One (1) nonvoting member of the board of trustees shall be a member of the faculty of Indiana State University elected under subsection (d).**

(b) All trustees and their successors shall be appointed for terms of four (4) years, except:

- (1) the student member, who shall be appointed for two (2) years during which time he the member must be a full-time student of Indiana State University; and**
- (2) the faculty member, who shall be appointed for three (3) years.**

(c) To aid the governor in the selection of the student member, a search and screen committee is created consisting of one (1) representative of the governor and at least four (4) students chosen by the elected student government representatives of the student body. The committee shall establish the mode and criteria to be used in the selection of student nominees to serve on the board of trustees. The committee shall submit a list of at least ten (10) names to the governor for ~~his~~ **the governor's** consideration. The governor shall select one (1) of these names for appointment as a trustee of the university in accordance with the provisions of this chapter.

(d) One (1) member of the board of trustees shall:

- (1) be a member of the faculty of Indiana State University who holds the rank of assistant professor or higher;**
- (2) be elected under IC 20-12-64.5 by secret ballot by all Indiana State University employees who hold the rank of assistant professor or higher;**
- (3) serve a three (3) year term beginning July 1, or, if a vacancy occurs, for the remainder of the unexpired term of the previous faculty trustee;**
- (4) be eligible for reelection as faculty trustee if the person remains a member of the faculty of Indiana State University; and**
- (5) not be entitled to vote as a member of the board of trustees.**

(e) All members appointed to the board shall be residents of the state of Indiana and citizens of the United States of America. The alumni members appointed to the board shall have completed a prescribed course of study by Indiana State University or its predecessors, Indiana State Normal School, Indiana State Teachers

College, or Indiana State College.

(e) (f) Except as provided by subsection (d), all vacancies occurring in the board from death, resignation, or removal from the state shall be filled by appointment by the governor for the unexpired term of the retiring member, subject to the provision that the alumni council of the university shall nominate the appointee to fill a vacancy caused by the loss of an alumni member.

SECTION 12. IC 20-12-57.5-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 2. ~~(Board of Trustees Membership)~~ **(a)** The Ball State University board of trustees shall be composed of ~~nine (9)~~ **ten (10)** members, **nine (9) of whom shall be appointed by the governor pursuant to the provisions of under this chapter. Of the nine (9) members appointed by the governor, six (6) of whom shall be appointed at large, two (2) of whom shall be appointed as alumni of Ball State University, and one (1) of whom shall be appointed as a Ball State University student. One (1) nonvoting member of the board of trustees shall be a member of the faculty of Ball State University elected under subsection (d).**

(b) Within the nonstudent board membership, not more than six (6) shall be of the same sex and not less than one (1) shall be a resident of and reside in Delaware County, Indiana.

(c) To aid the governor in the selection of the student member, a search and screen committee is created consisting of one (1) representative of the governor and at least four (4) students chosen by the elected student government representatives of the student body. The committee shall establish the mode and criteria to be used in the selection of student nominees to serve on the board of trustees. The committee shall submit a list of at least ten (10) names to the governor for ~~his~~ **the governor's** consideration. The governor shall select one (1) of these names for appointment as a trustee of the university in accordance with the provisions of under this chapter.

(d) One (1) member of the board of trustees shall:

- (1) be a member of the faculty of Ball State University who holds the rank of assistant professor or higher;**
- (2) be elected under IC 20-12-64.5 by secret ballot by all Ball State University employees who hold the rank of assistant professor or higher;**
- (3) serve a three (3) year term beginning July 1, or, if a vacancy occurs, for the remainder of the unexpired term of the previous faculty trustee;**
- (4) be eligible for reelection as faculty trustee if the person remains a member of the faculty of Ball State University; and**
- (5) not be entitled to vote as a member of the board of trustees.**

SECTION 13. IC 20-12-57.5-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 8. **(a)** ~~With the exception of the student member of the board,~~ **Except as provided in subsection (b) and section 2(d) of this chapter,** all appointments to the board of trustees are for four (4) year terms. Each term of a nonstudent board member begins on January 1 of the appropriate year. Each member shall serve until ~~his~~ **the member's** successor is appointed and qualified.

(b) The student member of the board of trustees who is appointed under section 2 of this chapter is appointed for a two (2) year term. ~~His~~ **The student member's** term begins on July 1 of the year in which ~~he~~ **the student** is appointed. The student member of the board must be a full-time student at Ball State University throughout ~~his~~ **the student member's** term.

SECTION 14. IC 20-12-57.5-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 9. ~~(Board Vacancies)~~ **Except as provided by section 2(d) of this chapter,** all vacancies occurring on the board of trustees from death, incapacitation, or resignation shall be filled by appointment of the governor for the unexpired term. Vacancies in offices held by alumni members shall be filled from nominees submitted by the alumni council.

SECTION 15. IC 20-12-61-4, AS AMENDED BY P.L.20-2000, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 4. **(a)** Ivy Tech shall be governed by a board of trustees **who are either** appointed by the governor

under this subsection or elected by the faculty of Ivy Tech State College as a nonvoting member of the state board under subsection (b). The number of members of the state board appointed under this subsection must equal the number of regions established under section 9 of this chapter. Each member of the state board must have knowledge or experience in one (1) or more of the following areas:

- (1) Manufacturing.
- (2) Commerce.
- (3) Labor.
- (4) Agriculture.
- (5) State and regional economic development needs.
- (6) Indiana's educational delivery system.

One (1) member of the state board must reside in each region established under section 9 of this chapter. Except for the faculty member elected under subsection (b), appointments shall be for three (3) year terms, on a staggered basis.

(b) One (1) nonvoting member of the board of trustees shall:

- (1) be a member of the faculty of Ivy Tech State College who holds the rank of assistant professor or higher;
- (2) be elected by secret ballot by all Ivy Tech State College employees who hold the rank of assistant professor or higher;
- (3) serve a three (3) year term beginning July 1, or, if a vacancy occurs, for the remainder of the unexpired term of the previous faculty trustee; and
- (4) be eligible for reelection as faculty trustee if the person remains a member of the faculty of Ivy Tech State College.

(c) No one who holds an elective or appointed office of the state is eligible to serve as a member of the state board. A member of a regional board may be appointed to the state board, but must then resign from the regional board.

SECTION 16. IC 20-12-61-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 6. (a) Except as provided by section 4(b) of this chapter, the governor shall fill all vacancies on the state board. Each trustee appointed to fill a vacancy shall represent the same region as his the trustee's predecessor.

(b) If a vacancy occurs on the state board, the regional board for the region in which the former member resided may recommend to the governor one (1) or more qualified persons to fill the vacancy.

SECTION 17. IC 20-12-64-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 7. (a) The board consists of ~~nine (9)~~ ten (10) members who shall serve staggered terms of four (4) years. However:

- (1) the student member required by subsection (c) shall serve a term of two (2) years; and
- (2) the nonvoting faculty member elected under subsection (d) shall serve a term of three (3) years.

(b) Each member of the board must be a citizen of the United States and a resident of Indiana.

(c) The board must include at least the following:

- (1) One (1) member who is an alumnus of the university or an alumnus of the regional campus.
- (2) One (1) member who is a full-time student in good standing enrolled in the university.
- (3) One (1) member who is a resident of Vanderburgh County.
- (4) One (1) member who is a member of the faculty of the university as provided by subsection (d).

(d) One (1) member of the board of trustees shall:

- (1) be a member of the faculty of the University of Southern Indiana who holds the rank of assistant professor or higher;
- (2) be elected under IC 20-12-64.5 by secret ballot by all employees of the University of Southern Indiana who hold the rank of assistant professor or higher;
- (3) serve a three (3) year term beginning July 1, or, if a vacancy occurs, for the remainder of the unexpired term of the previous faculty trustee;
- (4) be eligible for reelection as faculty trustee if the person remains a member of the faculty of the University of Southern Indiana; and
- (5) not be entitled to vote as a member of the board of

trustees.

SECTION 18. IC 20-12-64-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 8. Except as provided by section 7(d) of this chapter, the governor shall appoint the members of the board. If a vacancy occurs during the term of any member appointed by the governor, the governor shall appoint an individual to serve the unexpired term of the vacating member.

SECTION 19. IC 20-12-64.5 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]:

Chapter 64.5. Election of Faculty Trustee Members at State Educational Institutions

Sec. 1. As used in this chapter, "committee" refers to a trustee election committee established by section 5 of this chapter.

Sec. 2. As used in this chapter, "faculty organization" refers to the organization in the governance structure of a state educational institution that:

- (1) is composed of faculty members; and
- (2) may include other university personnel who are not faculty members.

Sec. 3. As used in this chapter "faculty trustee member" refers to the member of the faculty who serves on the board of trustees or similarly named governing body of a state educational institution.

Sec. 4. As used in this chapter, "state educational institution" has the meaning set forth in IC 20-12-0.5-1.

Sec. 5. The faculty organization at each state educational institution shall establish a trustee election committee by determining the following:

- (1) The number of members of the committee, which must be at least five (5).
- (2) The qualifications required for members of the committee. However, each member of the committee must be a faculty member at the state educational institution who holds the rank of assistant professor or higher.
- (3) The manner of selection and appointment of the following:
 - (A) Members of the committee.
 - (B) A chairperson of the committee.
 - (C) A vice chairperson of the committee.
- (4) The length of a member's term of service on the committee.
- (5) A method for removing a member from the committee.
- (6) A method for filling vacancies on the committee.
- (7) Other matters the faculty organization considers necessary and relevant.

Sec. 6. A committee shall meet at the call of:

- (1) the chairperson; or
- (2) a majority of the members of the committee.

Sec. 7. A quorum for a committee to do business is a majority of the total membership of the committee.

Sec. 8. The affirmative vote of a majority of the members of a committee is required for the committee to take action.

Sec. 9. The committee shall do the following:

- (1) Establish procedures for the election of the faculty trustee member. However, the procedures that the committee establishes must meet the requirements of section 10 of this chapter.
- (2) Personally conduct the election or make other arrangements for the conduct of the election under the direction of the committee.
- (3) Perform other duties related to the election of the faculty trustee member as directed by the faculty organization.

Sec. 10. The following procedures must be observed in the election of the faculty trustee member:

- (1) The election must be conducted under the direction of the committee.
- (2) The committee must conduct the election in a manner that ensures that the person who is elected as a faculty trustee member meets the statutory requirements for the position.

(3) The committee must conduct the election in a manner that assures that the faculty trustee member is elected by all employees of the state educational institution who hold the rank of assistant professor or higher.

(4) The election must be conducted by means of a written ballot designed by the committee.

(5) The election must take place by secret ballot.

(6) The committee must provide for the impartial tabulation of ballots and the reporting of results of the election.

(7) The committee must provide for the safekeeping of the ballots for four (4) years after the election.

SECTION 20. IC 23-13-18-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 4. (a) The board of trustees of Vincennes University shall consist of ~~ten (10)~~ **eleven (11)** trustees. Nine (9) shall be appointed by the governor, one (1) of whom must be a resident of Knox County and one (1) must be an alumnus of Vincennes. In addition, the governor shall appoint one (1) trustee who is a full-time student of the university during ~~his~~ **the student's** term. **One (1) nonvoting member of the board of trustees shall be a member of the faculty of Vincennes University elected under subsection (d).**

(b) To aid the governor in the selection of the student member, a search and screen committee is created consisting of one (1) representative of the governor and at least four (4) students chosen by the elected student government representatives of the student body. The committee shall establish the mode and criteria to be used in the selection of student nominees to serve on the board of trustees. The committee shall submit a list of at least five (5) names to the governor for ~~his~~ **the governor's** consideration. The governor shall select one (1) of these names for appointment as a trustee of the university in accordance with the provisions of this chapter.

(c) There shall be four (4) ex officio members of the board: the president of the university, the superintendent of the Vincennes Community School Corporation, the superintendent of the South Knox School Corporation, and the superintendent of the North Knox School Corporation.

(d) **One (1) member of the board of trustees shall:**

(1) be a member of the faculty of Vincennes University who holds the rank of assistant professor or higher;

(2) be elected under IC 20-12-64.5 by secret ballot by all employees of Vincennes University who hold the rank of assistant professor or higher;

(3) serve a three (3) year term beginning July 1, or, if a vacancy occurs, for the remainder of the unexpired term of the previous faculty trustee;

(4) be eligible for reelection as faculty trustee if the person remains a member of the faculty of Vincennes University; and

(5) not be entitled to vote as a member of the board of trustees.

(e) The term of each appointed trustee shall be for three (3) years, except that of the student appointee, who shall serve a one (1) year term. When a vacancy occurs in the membership of the board of trustees, such vacancy shall be filled by the board for the unexpired term, **except a vacancy of a faculty member, which shall be filled under subsection (d).** The appropriate number of appointive trustees shall be appointed prior to the first Monday of October of each year and that first Monday shall be the first day of their terms.

~~(e)~~ (f) The annual meeting of the board shall be held on the first Monday of October of each year. Special meetings may be called by the president of the board or by any ~~four (4)~~ **five (5)** trustees.

~~(f)~~ (g) Six (6) trustees shall constitute a quorum at any regular or special meeting of the board.

~~(g)~~ (h) The trustees shall serve without compensation, except that each member is entitled to the salary per diem as provided by IC 4-10-11-2.1 and to reimbursement for travel, lodging, meals, and other expenses as provided in the state travel policies and procedures established by the department of administration and approved by the state budget agency.

SECTION 21. [EFFECTIVE JULY 1, 2002] (a) **As used in this SECTION, "universities" refers to Indiana University, Purdue**

University, Ball State University, Indiana State University, Vincennes University, Ivy Tech State College, and the University of Southern Indiana.

(b) The employees of the universities who hold the rank of assistant professor or higher shall elect the initial faculty trustee members added by this act not later than March 1, 2003.

(c) Notwithstanding any provision of this act, the terms of each of the faculty members elected to the boards of trustees of the universities under this act begin July 1, 2003.

(d) **This SECTION expires July 1, 2003."**

(Reference is to ESB 292 as printed February 15, 2002.)

V. SMITH

Representative Foley rose to a point of order, citing Rule 80, stating that the motion was not germane to the bill. Representative V. Smith withdrew the motion.

HOUSE MOTION (Amendment 292-1)

Mr. Speaker: I move that Engrossed Senate Bill 292 be amended to read as follows:

Page 2, between lines 2 and 3, begin a new paragraph and insert: "SECTION 2. IC 20-6.1-5-2.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: **Sec. 2.5. (a) For school corporations where teachers' salaries, compensation, and other benefits are determined under a contract reached through collective bargaining under IC 20-7.5, this section applies to teachers' salaries, compensation, and other benefits under collective bargaining contracts that are executed and take effect after June 30, 2002.**

(b) **As used in this section, "approved academic credit" refers to academic credit in courses approved by the board.**

(c) **For purposes of determining teachers' salaries, compensation, and other benefits, the following apply:**

(1) **A school corporation shall count in the number of credit hours attributable to an individual teacher all hours of approved academic credit that the teacher earns beyond an undergraduate degree.**

(2) **A school corporation may elect to count in the number of credit hours attributable to an individual teacher any credit hours that the teacher earns beyond an undergraduate degree that are not approved academic credit.**

(3) **A school corporation shall recognize as equivalent:**

(A) **a teacher who earns a master's degree; and**

(B) **a teacher who earns an amount of approved academic credit that:**

(i) **is determined through collective bargaining under IC 20-7.5; and**

(ii) **does not exceed thirty-six (36) hours.**

(d) **Compensation for continuing education or professional development activities that are required in order to obtain or retain a teaching license shall be determined in accordance with IC 20-7.5. This section does not limit the rights of the school employer or the exclusive representative to mutually establish under IC 20-7.5 compensation for continuing education or professional development activities that are in addition to requirements to obtain or retain a teaching license."**

Renumber all SECTIONS consecutively.

(Reference is to ESB 292 as printed February 15, 2002.)

THOMPSON

Motion prevailed. The bill was ordered engrossed.

Engrossed Senate Bill 343

Representative Dvorak called down Engrossed Senate Bill 343 for second reading. The bill was read a second time by title.

HOUSE MOTION (Amendment 343-4)

Mr. Speaker: I move that Engrossed Senate Bill 343 be amended to read as follows:

Page 5, line 36, after "court" delete "." and insert "; however, any

contract service provider must be licensed by the state or approved by the judicial center."

(Reference is to ESB 343 as printed February 15, 2002.)

DVORAK

Motion prevailed. The bill was ordered engrossed.

Engrossed Senate Bill 351

Representative Kruzan called down Engrossed Senate Bill 351 for second reading. The bill was read a second time by title.

HOUSE MOTION
(Amendment 351-1)

Mr. Speaker: I move that Engrossed Senate Bill 351 be amended to read as follows:

Page 1, line 3, reset in roman "nine (9)".

Page 1, line 3, delete "10 (ten)".

Page 1, line 6, delete "or the nonvoting faculty trustee" and insert " . "

Page 1, line 7, delete "elected under IC 20-12-24-3.6".

Page 1, run in lines 6 through 7.

Page 2, delete lines 16 through 42.

Delete pages 3 through 11.

(Reference is to ESB 351 as printed February 19, 2002.)

TORR

Motion failed. The bill was ordered engrossed.

Engrossed Senate Bill 402

Representative Lytle called down Engrossed Senate Bill 402 for second reading. The bill was read a second time by title.

HOUSE MOTION
(Amendment 402-1)

Mr. Speaker: I move that Engrossed Senate Bill 402 be amended to read as follows:

Page 1, line 13, delete "excess" and insert "**amount that exceeds three dollars (\$3)**".

Page 1, line 14, after "." insert "**The recorder may retain as an administrative fee up to three dollars (\$3) of the excess of the amount submitted.**".

Page 1, between lines 14 and 15, begin a new paragraph and insert:

"SECTION 2. IC 36-2-11-8, AS AMENDED BY P.L.87-2001, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 8. (a) The recorder shall record all instruments that are proper for recording, in the order in which they are received in the recorder's office for record. The recorder shall record deeds and mortgages in separate records.

(b) The recorder shall establish a written procedure for the public to obtain access to the original instrument in order to protect the instrument from loss, alteration, mutilation, or destruction. The recorder shall post the written procedure in the recorder's office.

(c) Providing an exact copy of an original instrument in the possession of the recorder is sufficient to comply with the inspection of public records provided under IC 5-14-3-3 if the original document has not been archived.

(d) The recorder shall establish and post in a public place a written policy on the acceptance of sewer lien instruments by the recorder."

Page 2, line 16, delete "an" and insert "**at the request of the county recorder an**".

Re-number all SECTIONS consecutively.

(Reference is to ESB 402 as printed February 15, 2002.)

LYTLE

Upon request of Representatives Steele and Bosma, the Speaker ordered the roll of the House to be called. Roll Call 187: yeas 64, nays 21. Motion prevailed. The bill was ordered engrossed.

REPORTS FROM COMMITTEES

COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred Engrossed Senate Bill 17, 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 8, delete "interest may not be charged on a" and insert "**the interest charged on the loan may not exceed the percent of increase in the United States Department of Labor Consumer Price Index during the twelve (12) months preceding the date that the unit applies for a loan under this chapter.**".

Page 2, line 9, delete "loan, and a" and insert "A".

Page 2, line 13, after "installments." insert "**However, not more than one-third (1/3) of the total amount to be loaned under this chapter may be disbursed at any particular time without the review of the budget committee and the approval of the budget agency.**".

Page 2, between lines 33 and 34, begin a new paragraph and insert:

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

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

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

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

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

Page 2, line 34, delete "(a)".

Page 2, line 41, delete "1.031" and insert "**one and thirty-one thousandths (1.031)**".

Page 2, line 42, delete "2." and insert "**two (2)**".

Page 3, between lines 2 and 3, begin a new line blocked left and insert:

"However, in the case of a qualified taxing unit that is a school corporation, the amount determined under STEP FOUR shall be reduced by the board to the extent that the school corporation receives relief in the form of adjustments to the school corporation's assessed valuation under IC 21-3-1.6-1.1 or IC 6-1.1-17-0.5."

Page 4, between lines 4 and 5, begin a new paragraph and insert:

"SECTION 2. IC 6-3.5-1.1-2, AS AMENDED BY P.L.135-2001, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. (a) The county council of any county in which the county option income tax will not be in effect on July 1 of a year under an ordinance adopted during a previous calendar year may impose the county adjusted gross income tax on the adjusted gross income of county taxpayers of its county effective July 1 of that year.

(b) Except as provided in section 2.5, 2.7, or 3.5 of this chapter, the county adjusted gross income tax may be imposed at a rate of one-half of one percent (0.5%), three-fourths of one percent (0.75%), or one percent (1%) on the adjusted gross income of resident county taxpayers of the county. Any county imposing the county adjusted gross income tax must impose the tax on the nonresident county taxpayers at a rate of one-fourth of one percent (0.25%) on their adjusted gross income. If the county council elects to decrease the county adjusted gross income tax, the county council may decrease the county adjusted gross income tax rate in increments of one-tenth of one percent (0.1%).

(c) To impose the county adjusted gross income tax, the county council must, after January 1 but before April 1 of a year, adopt an ordinance. **Except as provided in subsection (g)**, the ordinance must substantially state the following:

"The _____ County Council imposes the county adjusted gross income tax on the county taxpayers of _____ County. The county adjusted gross income tax is imposed at a rate of _____ percent (____%) on the resident county taxpayers of the county and one-fourth of one percent (0.25%) on the nonresident county taxpayers of the county. This tax takes effect July 1 of this year."

(d) **Except as provided in subsection (g)**, any ordinance adopted under this section takes effect July 1 of the year the ordinance is

adopted.

(e) The auditor of a county shall record all votes taken on ordinances presented for a vote under the authority of this section and immediately send a certified copy of the results to the department by certified mail.

(f) If the county adjusted gross income tax had previously been adopted by a county under IC 6-3.5-1 (before its repeal on March 15, 1983) and that tax was in effect at the time of the enactment of this chapter, then the county adjusted gross income tax continues in that county at the rates in effect at the time of enactment until the rates are modified or the tax is rescinded in the manner prescribed by this chapter. If a county's adjusted gross income tax is continued under this subsection, then the tax shall be treated as if it had been imposed under this chapter and is subject to rescission or reduction as authorized in this chapter.

(g) This subsection applies to a county having a population of more than one hundred forty-five thousand (145,000) but less than one hundred forty-eight thousand (148,000). The county council may adopt an ordinance imposing the county adjusted gross income tax that takes effect May 1 of the year the ordinance is adopted. The ordinance must state substantially the following:

"The _____ County Council imposes the county adjusted gross income tax on the county taxpayers of _____ County. The county adjusted gross income tax is imposed at a rate of _____ percent (____%) on the resident county taxpayers of the county and one-fourth of one percent (0.25%) on the nonresident county taxpayers of the county. This tax takes effect May 1 of this year."

SECTION 3. IC 6-3.5-1.1-10, AS AMENDED BY P.L. 135-2001, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 10. (a) **Except as provided in subsection (b)**, one-half (1/2) of each adopting county's certified distribution for a calendar year shall be distributed from its account established under section 8 of this chapter to the appropriate county treasurer on May 1 and the other one-half (1/2) on November 1 of that calendar year.

(b) This subsection applies to a county that adopts an ordinance under section 2(g) of this chapter. In the calendar year in which the ordinance adopted under section 2(g) of this chapter takes effect, the county's certified distribution for the calendar year shall be distributed from its account established under section 8 of this chapter to the county treasurer as follows:

- (1) One-fourth (1/4) on August 1.
- (2) One-fourth (1/4) on November 1.

Distributions for the calendar year following the calendar year in which the ordinance adopted under section 2(g) of this chapter takes effect shall be made as provided in subsection (a).

~~(b)~~ (c) Except for:

- (1) revenue that must be used to pay the costs of operating a jail and juvenile detention center under section 2.5(d) of this chapter;
- (2) revenue that must be used to pay the costs of construction, improvement, or renovation of a jail under section 2.7 of this chapter; or
- (3) revenue that must be used to pay the costs of operating and maintaining a jail and justice center under section 3.5(d) of this chapter;

distributions made to a county treasurer under subsections (a) and (b) shall be treated as though they were property taxes that were due and payable during that same calendar year. The certified distribution shall be distributed and used by the taxing units and school corporations as provided in sections 11 through 15 of this chapter.

~~(e)~~ (d) All distributions from an account established under section 8 of this chapter shall be made by warrants issued by the auditor of the state to the treasurer of the state ordering the appropriate payments.

SECTION 4. IC 6-3.5-6-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 8. (a) **Except as provided in subsection (g)**, the county income tax council of any county in which the county adjusted gross income tax will not be in

effect on July 1 of a year under an ordinance adopted during a previous calendar year may impose the county option income tax on the adjusted gross income of county taxpayers of its county effective July 1 of that same year.

(b) The county option income tax may initially be imposed at a rate of two-tenths of one percent (0.2%) on the resident county taxpayers of the county and at a rate of five hundredths of one percent (0.05%) for all other county taxpayers.

(c) To impose the county option income tax, a county income tax council must, after January 1 but before April 1 of the year, pass an ordinance. **Except as provided in subsection (g)**, the ordinance must substantially state the following:

"The _____ County Income Tax Council imposes the county option income tax on the county taxpayers of _____ County. The county option income tax is imposed at a rate of two-tenths of one percent (0.2%) on the resident county taxpayers of the county and at a rate of five hundredths of one percent (0.05%) on all other county taxpayers. This tax takes effect July 1 of this year."

(d) If the county option income tax is imposed on the county taxpayers of a county, then the county option income tax rate that is in effect for resident county taxpayers of that county increases by one-tenth of one percent (0.1%) on each succeeding July 1 until the rate equals six-tenths of one percent (0.6%).

(e) The county option income tax rate in effect for the county taxpayers of a county who are not resident county taxpayers of that county is at all times one-fourth (1/4) of the tax rate imposed upon resident county taxpayers.

(f) The auditor of a county shall record all votes taken on ordinances presented for a vote under this section and immediately send a certified copy of the results to the department by certified mail.

(g) This subsection applies to a county having a population of more than one hundred forty-five thousand (145,000) but less than one hundred forty-eight thousand (148,000). The county income tax council may adopt an ordinance imposing the county option income tax that takes effect May 1 of the year the ordinance is adopted. The ordinance must state substantially the following:

"The _____ County Income Tax Council imposes the county option income tax on the county taxpayers of _____ County. The county option income tax is imposed at a rate of two-tenths of one percent (0.2%) on the resident county taxpayers of the county and at a rate of five hundredths of one percent (0.05%) on all other county taxpayers. This tax takes effect May 1 of this year."

SECTION 5. IC 6-3.5-6-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 10. (a) If during a particular calendar year the county council of a county adopts an ordinance to impose the county adjusted gross income tax in its county on July 1 of that year and the county option income tax council of the county adopts an ordinance to impose the county option income tax in the county on July 1 of that year, the county option income tax takes effect in that county and the county adjusted gross income tax shall not take effect in that county.

(b) If, during a particular calendar year, the county council of a county described in section 8(g) of this chapter adopts an ordinance to impose the county adjusted gross income tax in that county on May 1 of that year and the county option income tax council of the county adopts an ordinance to impose the county option income tax in the county on May 1 of that year, the county option income tax takes effect in that county and the county adjusted gross income tax shall not take effect in that county.

SECTION 6. IC 6-3.5-7-5, AS AMENDED BY P.L. 135-2001, SECTION 6, AS AMENDED BY P.L. 185-2001, SECTION 3, AND AS AMENDED BY P.L. 291-2001, SECTION 179, IS AMENDED AND CORRECTED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. (a) Except as provided in subsection (c), the county economic development income tax may be imposed on the adjusted gross income of county taxpayers. The entity that may impose the tax is:

- (1) the county income tax council (as defined in IC 6-3.5-6-1) if the county option income tax is in effect on January 1 of the year the county economic development income tax is imposed;
- (2) the county council if the county adjusted gross income tax is in effect on January 1 of the year the county economic development tax is imposed; or
- (3) the county income tax council or the county council, whichever acts first, for a county not covered by subdivision (1) or (2).

To impose the county economic development income tax, a county income tax council shall use the procedures set forth in IC 6-3.5-6 concerning the imposition of the county option income tax.

(b) Except as provided in subsections (c), ~~and~~ (g), ~~(f)~~, and (k), the county economic development income tax may be imposed at a rate of:

- (1) one-tenth percent (0.1%);
- (2) two-tenths percent (0.2%);
- (3) twenty-five hundredths percent (0.25%);
- (4) three-tenths percent (0.3%);
- (5) thirty-five hundredths percent (0.35%);
- (6) four-tenths percent (0.4%);
- (7) forty-five hundredths percent (0.45%); or
- (8) five-tenths percent (0.5%);

on the adjusted gross income of county taxpayers.

(c) Except as provided in subsection (h), (i), ~~or~~ (j), or (k), the county economic development income tax rate plus the county adjusted gross income tax rate, if any, that are in effect on January 1 of a year may not exceed one and twenty-five hundredths percent (1.25%). Except as provided in subsection (g), the county economic development tax rate plus the county option income tax rate, if any, that are in effect on January 1 of a year may not exceed one percent (1%).

(d) To impose the county economic development income tax, the appropriate body must, after January 1 but before April 1 of a year, adopt an ordinance. **Except as provided in subsection (l), the ordinance must substantially state the following:**

"The _____ County _____ imposes the county economic development income tax on the county taxpayers of _____ County. The county economic development income tax is imposed at a rate of _____ percent (____ %) on the county taxpayers of the county. This tax takes effect July 1 of this year."

(e) **Except as provided in subsection (l),** any ordinance adopted under this section takes effect July 1 of the year the ordinance is adopted.

(f) The auditor of a county shall record all votes taken on ordinances presented for a vote under the authority of this section and immediately send a certified copy of the results to the department by certified mail.

(g) This subsection applies to a county having a population of more than one hundred twenty-nine thousand (129,000) but less than one hundred thirty thousand six hundred (130,600). In addition to the rates permitted by subsection (b), the:

- (1) county economic development income tax may be imposed at a rate of:
 - (A) fifteen-hundredths percent (0.15%);
 - (B) two-tenths percent (0.2%); or
 - (C) twenty-five hundredths percent (0.25%); and
- (2) county economic development income tax rate plus the county option income tax rate that are in effect on January 1 of a year may equal up to one and twenty-five hundredths percent (1.25%);

if the county income tax council makes a determination to impose rates under this subsection and section 22 of this chapter.

(h) For a county having a population of more than thirty-seven thousand (37,000) but less than thirty-seven thousand eight hundred (37,800), the county economic development income tax rate plus the county adjusted gross income tax rate that are in effect on January 1 of a year may not exceed one and thirty-five hundredths percent (1.35%) if the county has imposed the county adjusted gross income tax at a rate of one and one-tenth percent (1.1%) under IC 6-3.5-1.1-2.5.

(i) For a county having a population of more than twelve thousand six hundred (12,600) but less than thirteen thousand (13,000), the county economic development income tax rate plus the county adjusted gross income tax rate that are in effect on January 1 of a year may not exceed one and fifty-five hundredths percent (1.55%).

(j) *For a county having a population of more than sixty-eight thousand (68,000) but less than seventy-three thousand (73,000), the county economic development income tax rate plus the county adjusted gross income tax rate that are in effect on January 1 of a year may not exceed one and five-tenths percent (1.5%).*

(j) This subsection applies to a county having a population of more than twenty-seven thousand (27,000) but less than twenty-seven thousand three hundred (27,300). In addition to the rates permitted under subsection (b):

(1) the county economic development income tax may be imposed at a rate of twenty-five hundredths percent (0.25%); and

(2) the sum of the county economic development income tax rate and the county adjusted gross income tax rate that are in effect on January 1 of a year may not exceed one and five-tenths percent (1.5%);

if the county council makes a determination to impose rates under this subsection and section 22.5 of this chapter:

(k) This subsection applies to a county having a population of more than twenty-seven thousand (27,000) but less than twenty-seven thousand three hundred (27,300). In addition to the rates permitted under subsection (b):

(1) the county economic development income tax may be imposed at a rate of twenty-five hundredths percent (0.25%); and

(2) the sum of the county economic development income tax rate and the county adjusted gross income tax rate that are in effect on January 1 of a year may not exceed one and five-tenths percent (1.5%);

if the county council makes a determination to impose rates under this subsection and section 22.5 of this chapter:

(l) This subsection applies to a county having a population of more than one hundred forty-five thousand (145,000) but less than one hundred forty-eight thousand (148,000). The appropriate body may adopt an ordinance imposing the county economic development income tax that takes effect May 1 of the year the ordinance is adopted. The ordinance must state substantially the following:

"The _____ County _____ imposes the county economic development income tax on the county taxpayers of _____ County. The county economic development income tax is imposed at a rate of _____ percent (____ %) on the county taxpayers of the county. This tax takes effect May 1 of this year."

SECTION 7. IC 6-3.5-7-16 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 16. (a) **Except as provided in subsection (b),** on May 1 of each year, one-half (1/2) of each county's certified distribution for a calendar year shall be distributed from its account established under section 10 of this chapter to the county treasurer. The other one-half (1/2) shall be distributed on November 1 of that calendar year.

(b) This subsection applies to a county that adopts an ordinance under section 5(l) of this chapter. In the calendar year in which the ordinance adopted under section 5(l) of this chapter takes effect, the county's certified distribution for the calendar year shall be distributed from its account established under section 10 of this chapter to the county treasurer as follows:

(1) One-fourth (1/4) on August 1.

(2) One-fourth (1/4) on November 1.

Distributions for the calendar year following the calendar year in which the ordinance adopted under section 5(l) of this chapter takes effect shall be made as provided in subsection (a).

(b)(c) All distributions from an account established under section 10 of this chapter shall be made by warrants issued by the auditor of state to the treasurer of state ordering the appropriate payments."

Renumber all SECTIONS consecutively.

(Reference is to SB 17 as printed January 25, 2002.)

and when so amended that said bill do pass.

Committee Vote: yeas 24, nays 0.

BAUER, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred Engrossed Senate Bill 19, 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:

Replace the effective dates in SECTIONS 1 through 2 with "[EFFECTIVE JULY 1, 2002]".

Page 1, line 12, reset in roman "(1)".

Page 1, line 13, delete "." and insert ";".

Page 1, line 13, reset in roman "and".

Page 1, reset in roman line 14.

Page 1, line 14, after "exceed" delete ":" and insert "**fifty (50) acres.**".

Page 2, line 8, delete "and".

Page 2, reset in roman line 9.

Page 2, line 9, after "exceed" delete ":" and insert "**fifty (50) acres; and**".

Page 2, line 17, reset in roman "(3)".

Page 2, line 17, delete "(2)".

Page 5, line 29, reset in roman "not exceeding".

Page 5, line 29, after "(15)" insert "**fifty (50)**".

Page 5, line 29, reset in roman "acres."

Page 6, between lines 9 and 10, begin a new paragraph and insert: "SECTION 3. IC 6-1.1-10-25 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2003]: Sec. 25. (a) Subject to the limitations contained in subsection (b) of this section, **section 36.3 of this chapter**, tangible property is exempt from property taxation if it is owned by **and used for the exempt purposes** of any of the following organizations:

- (1) The Young Men's Christian Association.
- (2) The Salvation Army, Inc.
- (3) The Knights of Columbus.
- (4) The Young Men's Hebrew Association.
- (5) The Young Women's Christian Association.
- (6) A chapter or post of Disabled American Veterans of World War I or II.
- (7) A chapter or post of the Veterans of Foreign Wars.
- (8) A post of the American Legion.
- (9) A post of the American War Veterans.
- (10) A camp of United States Spanish War Veterans.
- (11) The Boy Scouts of America, one (1) or more of its incorporated local councils, or a bank or trust company in trust for the benefit of one (1) or more of its local councils.
- (12) The Girl Scouts of the U.S.A., one (1) or more of its incorporated local councils, or a bank or trust company in trust for the benefit of one (1) or more of its local councils.

(b) ~~This exemption does not apply unless the property is exclusively used, and in the case of real property actually occupied, for the purposes and objectives of the organization.~~

SECTION 4. IC 6-1.1-10-36.3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2003]: Sec. 36.3. (a) For purposes of this section, property is predominantly used or occupied for one (1) or more stated purposes if it is used or occupied for one (1) or more of those purposes during:

- (1) **less than one hundred percent (100%); but**
- (2) more than fifty percent (50%);

of the time that it is used or occupied in the year that ends on the assessment date of the property.

(b) If a section of this chapter **or another statute** states one (1) or more purposes for which property must be **owned, held in trust, used, or occupied** in order to qualify for an exemption ~~then~~ **from property tax under IC 6-1.1 or one (1) or more purposes for which a taxpayer must exist, be organized, or be operated in order for the taxpayer's property to be exempt from property tax under IC 6-1.1**, the exemption applies as follows:

- (1) **One hundred percent (100%) of the assessed value of**

property that is exclusively used or occupied for one (1) or more of the stated purposes is ~~totally exempt under that section:~~ **from property tax.**

(2) ~~Property that is predominantly used, or occupied for one (1) or more of the stated purposes by a church religious society or not-for-profit school is totally exempt under that section:~~

(3) ~~(2) If property is used for a purpose that is not exempt from property tax under this chapter or another law but is predominantly used or occupied for one (1) or more of the stated purposes, by a person other than a church religious society or not-for-profit school only part of the assessed value of the property is exempt under that section from property tax. on the part of the assessment of the property that bears the same proportion to the total assessment of the property as Subject to subsection (d), the amount of the deduction is equal to the assessed value of the property multiplied by a fraction. The numerator of the fraction is the amount of time that the property was used or occupied for one (1) or more of the stated purposes during the year that ends on the assessment date of the property. bears to The denominator of the fraction is the amount of time that the property was used or occupied for any purpose during that year.~~

(4) ~~(3) None of the assessed value of property that is predominantly used or occupied for a purpose other than one (1) of the stated purposes is not exempt from any part of the property tax.~~

(c) ~~Property is not used or occupied for one (1) or more of the stated purposes during the time that a predominant part of the For purposes of subsection (b), property is not being used or occupied for a stated exempt purpose if it is used or occupied in connection with a trade or business that is not substantially directly related to the exercise or performance of one (1) or more of the stated purposes.~~

(d) ~~For purposes of subsection (b)(2), if only part of a building or structure is used for an exempt purpose or a nonexempt purpose, the deduction for the building or structure shall be adjusted to reflect the area in the building devoted to the exempt and nonexempt purposes under the procedures prescribed by the department of local government finance.~~

SECTION 5. IC 6-1.1-11-3, AS AMENDED BY P.L.198-2001, SECTION 32, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. (a) An owner of tangible property who wishes to obtain an exemption from property taxation shall file a certified application in duplicate with the auditor of the county in which the property that is the subject of the exemption is located. The application must be filed annually on or before May 15 on forms prescribed by the department of local government finance. The county auditor shall immediately forward a copy of the certified application to the county assessor. Except as provided in sections 1, 3.5, and 4 of this chapter, the application applies only for the taxes imposed for the year for which the application is filed.

(b) The authority for signing an exemption application may not be delegated by the owner of the property to any other person except by an executed power of attorney.

(c) An exemption application which is required under this chapter shall contain the following information:

- (1) A description of the property claimed to be exempt in sufficient detail to afford identification.
- (2) A statement showing the ownership, possession, and use of the property.
- (3) The grounds for claiming the exemption.
- (4) **The percentage of the exemption to which the person is entitled under IC 6-1.1-10-36.3.**
- (5) The full name and address of the applicant.

(6) ~~Any additional information which the department of local government finance may require.~~

(d) A person who signs an exemption application shall attest in writing and under penalties of perjury that, to the best of the person's knowledge and belief, a predominant part of the property claimed to be exempt is not being used or occupied in connection with a trade or business that is not ~~substantially directly~~ related to the exercise or performance of the organization's exempt purpose.

SECTION 6. IC 6-2.1-3-23 IS AMENDED TO READ AS

FOLLOWS [EFFECTIVE JANUARY 1, 2003]: Sec. 23. The exemptions provided by sections 19, 20, 21, and 22 of this chapter do not apply to gross income received by a taxpayer that:

- (1) is derived from ~~an unrelated~~ a trade or business as defined in Section 513 of the Internal Revenue Code; that is not directly related to the purposes for which the taxpayer is exempt under section 19, 20, 21, or 22 of this chapter; and
- (2) does not qualify as receipts from a charitable contribution (as defined in Section 170 of the Internal Revenue Code).

SECTION 7. IC 6-2.5-5-25 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2003]: Sec. 25. (a) Transactions involving tangible personal property or service are exempt from the state gross retail tax, if the person acquiring the property or service:

- (1) is an organization which is granted a gross income tax exemption under IC 6-2.1-3-20, IC 6-2.1-3-21, or IC 6-2.1-3-22;
- (2) ~~primarily~~ directly uses the property or service to carry on or to raise money obtain charitable contributions (as defined in Section 170 of the Internal Revenue Code) to carry on the not-for-profit purpose for which it receives the gross income tax exemption; and
- (3) is not an organization operated predominantly for social purposes.

(b) Transactions occurring after December 31, 1976, and involving tangible personal property or service are exempt from the state gross retail tax, if the person acquiring the property or service:

- (1) is a fraternity, sorority, or student cooperative housing organization which is granted a gross income tax exemption under IC 6-2.1-3-19; and
- (2) uses the property or service to carry on its ordinary and usual activities and operations as a fraternity, sorority, or student cooperative housing organization.

SECTION 8. IC 6-3-1-3.5, AS AMENDED BY P.L.14-2000, SECTION 16, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2003]: Sec. 3.5. When used in IC 6-3, the term "adjusted gross income" shall mean the following:

(a) In the case of all individuals, "adjusted gross income" (as defined in Section 62 of the Internal Revenue Code), modified as follows:

- (1) Subtract income that is exempt from taxation under IC 6-3 by the Constitution and statutes of the United States.
- (2) Add an amount equal to any deduction or deductions allowed or allowable pursuant to Section 62 of the Internal Revenue Code for taxes based on or measured by income and levied at the state level by any state of the United States.
- (3) Subtract one thousand dollars (\$1,000), or in the case of a joint return filed by a husband and wife, subtract for each spouse one thousand dollars (\$1,000).
- (4) Subtract one thousand dollars (\$1,000) for:
 - (A) each of the exemptions provided by Section 151(c) of the Internal Revenue Code;
 - (B) each additional amount allowable under Section 63(f) of the Internal Revenue Code; and
 - (C) the spouse of the taxpayer if a separate return is made by the taxpayer and if the spouse, for the calendar year in which the taxable year of the taxpayer begins, has no gross income and is not the dependent of another taxpayer.

(5) Subtract:

- (A) one thousand five hundred dollars (\$1,500) for each of the exemptions allowed under Section 151(c)(1)(B) of the Internal Revenue Code for taxable years beginning after December 31, 1996; and
- (B) five hundred dollars (\$500) for each additional amount allowable under Section 63(f)(1) of the Internal Revenue Code if the adjusted gross income of the taxpayer, or the taxpayer and the taxpayer's spouse in the case of a joint return, is less than forty thousand dollars (\$40,000).

This amount is in addition to the amount subtracted under subdivision (4).

(6) Subtract an amount equal to the lesser of:

- (A) that part of the individual's adjusted gross income (as defined in Section 62 of the Internal Revenue Code) for that taxable year that is subject to a tax that is imposed by a political subdivision of another state and that is imposed on or measured by income; or
- (B) two thousand dollars (\$2,000).

(7) Add an amount equal to the total capital gain portion of a lump sum distribution (as defined in Section 402(e)(4)(D) of the Internal Revenue Code) if the lump sum distribution is received by the individual during the taxable year and if the capital gain portion of the distribution is taxed in the manner provided in Section 402 of the Internal Revenue Code.

(8) Subtract any amounts included in federal adjusted gross income under Internal Revenue Code Section 111 as a recovery of items previously deducted as an itemized deduction from adjusted gross income.

(9) Subtract any amounts included in federal adjusted gross income under the Internal Revenue Code which amounts were received by the individual as supplemental railroad retirement annuities under 45 U.S.C. 231 and which are not deductible under subdivision (1).

(10) Add an amount equal to the deduction allowed under Section 221 of the Internal Revenue Code for married couples filing joint returns if the taxable year began before January 1, 1987.

(11) Add an amount equal to the interest excluded from federal gross income by the individual for the taxable year under Section 128 of the Internal Revenue Code if the taxable year began before January 1, 1985.

(12) Subtract an amount equal to the amount of federal Social Security and Railroad Retirement benefits included in a taxpayer's federal gross income by Section 86 of the Internal Revenue Code.

(13) In the case of a nonresident taxpayer or a resident taxpayer residing in Indiana for a period of less than the taxpayer's entire taxable year, the total amount of the deductions allowed pursuant to subdivisions (3), (4), (5), and (6) shall be reduced to an amount which bears the same ratio to the total as the taxpayer's income taxable in Indiana bears to the taxpayer's total income.

(14) In the case of an individual who is a recipient of assistance under IC 12-10-6-1, IC 12-10-6-2, IC 12-15-2-2, or IC 12-15-7, subtract an amount equal to that portion of the individual's adjusted gross income with respect to which the individual is not allowed under federal law to retain an amount to pay state and local income taxes.

(15) In the case of an eligible individual, subtract the amount of a Holocaust victim's settlement payment included in the individual's federal adjusted gross income.

(16) For taxable years beginning after December 31, 1999, subtract an amount equal to the portion of any premiums paid during the taxable year by the taxpayer for a qualified long term care policy (as defined in IC 12-15-39.6-5) for the taxpayer or the taxpayer's spouse, or both.

(17) Subtract an amount equal to the lesser of:

- (A) two thousand five hundred dollars (\$2,500); or
- (B) the amount of property taxes that are paid during the taxable year in Indiana by the individual on the individual's principal place of residence.

(b) In the case of corporations, the same as "taxable income" (as defined in Section 63 of the Internal Revenue Code) adjusted as follows:

- (1) Subtract income that is exempt from taxation under IC 6-3 by the Constitution and statutes of the United States.
- (2) Add an amount equal to any deduction or deductions allowed or allowable pursuant to Section 170 of the Internal Revenue Code.
- (3) Add an amount equal to any deduction or deductions allowed or allowable pursuant to Section 63 of the Internal Revenue Code for taxes based on or measured by income and levied at the state level by any state of the United States.

(4) Subtract an amount equal to the amount included in the corporation's taxable income under Section 78 of the Internal Revenue Code.

(5) Add an amount equal to the net amount excluded from taxable income under Section 501(a) of the Internal Revenue Code from a trade or business that is not directly related to the purposes for which the corporation is exempt from federal income taxation, after subtracting:

(A) any deductions from gross income that would be available under the Internal Revenue Code if the income was not exempt from taxation under Section 501(a) of the Internal Revenue Code; and

(B) income resulting from investment of contributions for which a deduction is allowable under Section 170 of the Internal Revenue Code or the earnings on these contributions in marketable securities, savings accounts, or other cash equivalents if the money is restricted for direct use for an exempt purpose.

(c) In the case of trusts and estates, "taxable income" (as defined for trusts and estates in Section 641(b) of the Internal Revenue Code):

(1) reduced by income that is exempt from taxation under IC 6-3 by the Constitution and statutes of the United States; and

(2) increased by an amount equal to the net amount excluded from taxable income under Section 501(a) of the Internal Revenue Code from a trade or business that is not directly related to the purposes for which the corporation is exempt from federal income taxation, after subtracting:

(A) any deductions from gross income that would be available under the Internal Revenue Code if the income was not exempt from taxation under Section 501(a) of the Internal Revenue Code; and

(B) income resulting from investment of contributions for which a deduction is allowable under Section 170 of the Internal Revenue Code or the earnings on these contributions in marketable securities, savings accounts, or other cash equivalents if the money is restricted for direct use for an exempt purpose.

SECTION 9. IC 6-3-2-2.8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2003]: Sec. 2.8. Notwithstanding any provision of IC 6-3-1 through IC 6-3-7, there shall be no tax on the adjusted gross income of the following:

(1) Any organization described in Section 501(a) of the Internal Revenue Code, except: ~~that any~~

(A) income of such organization which is subject to income tax under the Internal Revenue Code; and

(B) the net amount excluded from taxable income under Section 501(a) of the Internal Revenue Code from a trade or business that is not directly related to the purposes for which the corporation is exempt from federal income taxation, after subtracting:

(i) any deductions from gross income that would be available under the Internal Revenue Code if the income was not exempt from taxation under Section 501(a) of the Internal Revenue Code; and

(ii) income resulting from investment of contributions for which a deduction is allowable under Section 170 of the Internal Revenue Code or the earnings on these contributions in marketable securities, savings accounts, or other cash equivalents if the money is restricted for direct use for an exempt purpose;

shall be subject to the tax under IC 6-3-1 through IC 6-3-7.

(2) Any corporation which is exempt from income tax under Section 1363 of the Internal Revenue Code and which complies with the requirements of IC 6-3-4-13. However, income of a corporation described under this subdivision that is subject to income tax under the Internal Revenue Code is subject to the tax under IC 6-3-1 through IC 6-3-7. A corporation will not lose its exemption under this section because it fails to comply with IC 6-3-4-13 but it will be subject to the penalties provided by IC 6-8.1-10.

(3) Banks and trust companies, national banking associations, savings banks, building and loan associations, and savings and loan associations.

(4) Insurance companies subject to tax under IC 27-1-18-2.

(5) International banking facilities (as defined in Regulation D of the Board of Governors of the Federal Reserve System (12 CFR 204)).

SECTION 10. IC 6-3-2-3.1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2003]: Sec. 3.1. **(a) Except as otherwise provided in subsection (b); Income is not of the following entities is exempt from the adjusted gross income tax or (IC 6-3-1 through IC 6-3-7) and the supplemental net income tax under section 2-8(1) of this chapter if the income is derived by the exempt organization from an unrelated trade or business, as defined in Section 513 of the Internal Revenue Code:**

(b) This section does not apply to: (IC 6-3-8):

(1) The United States government.

(2) An agency or instrumentality of the United States government.

(3) This state.

(4) A state agency, as defined in IC 34-6-2-141.

(5) A political subdivision, as defined in IC 34-6-2-110. ~~or~~

(6) A county solid waste management district or a joint solid waste management district established under IC 13-21 or IC 13-9.5-2 (before its repeal)."

Page 6, line 18, after "land" insert "not exceeding fifty (50) acres,".

Page 6, block indent lines 41 through 42.

Page 6, after line 42, begin a new paragraph and insert:

"SECTION 4. IC 6-1.1-10-36.5 IS REPEALED [EFFECTIVE JANUARY 1, 2003].

SECTION 5. [EFFECTIVE UPON PASSAGE] **(a) IC 6-1.1-10-36.3 and IC 6-1.1-11-3, both as amended by this act, and the repeal of IC 6-1.1-10-36.5 by this act, apply only to property taxes first due and payable after December 31, 2002. The department of local government finance shall prescribe and make available forms to comply with IC 6-1.1-11-3, as amended by this act, as soon as practicable after the effective date of this SECTION. Notwithstanding IC 6-1.1-11-3, as amended by this act:**

(1) a taxpayer that:

(A) qualifies for a one hundred percent (100%) property tax exemption under IC 6-1.1-10-36.3(b)(1) as amended by this act; and

(B) is exempt under IC 6-1.1-11-3.5 or IC 6-1.1-11-4 from filing a certified property tax exemption application in calendar year 2002;

is not required by the amendment to IC 6-1.1-11-3 by this act to file an exemption application until required by IC 6-1.1-11-3.5 or IC 6-1.1-11-4; and

(2) a taxpayer whose property tax exemption is changed by the amendment to IC 6-1.1-10-36.3 by this act, or the repeal of IC 6-1.1-10-36.5 has until September 1, 2002, to file a certified application under IC 6-1.1-11-3, as amended by this act, that correctly states the amount of the exemption.

(b) IC 6-2.1-3-23, IC 6-2.5-5-25, IC 6-3-1-3.5, IC 6-3-2-2.8, IC 6-3-2-3.1, and IC 6-5.5-2-7, all as amended by this act, apply only to taxable years beginning after December 31, 2003.

(c) The department of local government finance may adopt temporary rules in the manner provided for the adoption of emergency rules under IC 4-22-2-37.1 to implement IC 6-1.1-10-36.3 and IC 6-1.1-11-3, both as amended by this act, and the repeal of IC 6-1.1-10-36.5 by this act. A temporary rule adopted under this subsection expires on the earliest of the following:

(1) The date that another temporary rule adopted under this subsection supersedes the prior temporary rule.

(2) The date that permanent rules adopted under IC 4-22-2 supersedes the temporary rule.

(3) July 1, 2004.

(d) The department of state revenue may adopt temporary rules in the manner provided for the adoption of emergency

rules under IC 4-22-2-37.1 to implement IC 6-2.1-3-23, IC 6-3-1-3.5, IC 6-3-2-2.8, IC 6-3-2-3.1, and IC 6-5.5-2-7, all as amended by this act. A temporary rule adopted under this subsection expires on the earliest of the following:

- (1) The date that another temporary rule adopted under this subsection supersedes the prior temporary rule.
- (2) The date that permanent rules adopted under IC 4-22-2 supersedes the temporary rule.
- (3) July 1, 2004."

Page 7, line 1, delete "Pursuant to" and insert "Notwithstanding".
Page 7, line 2, delete "IC 6-1.1-10-16, as amended by this act," and insert "IC 6-1.1-10-16 as it existed before January 1, 2002,".

Page 7, line 8, delete "." and insert ", instead of as set forth in IC 6-1.1-10-16 as it existed at the time of the assessment of the church or religious institution's property."

Page 7, between lines 19 and 20, begin a new paragraph and insert:

"SECTION 4. [EFFECTIVE UPON PASSAGE] (a) As used in this SECTION, "committee" refers to the interim study committee on the assessment of property owned by educational, religious, and other nonprofit organizations.

(b) There is established the interim study committee on the assessment of property owned by educational, religious, and other nonprofit organizations. The committee shall study:

- (1) the assessment of property owned by educational, religious, and other nonprofit organizations; and
- (2) the property tax exemptions provided to the organizations described in subdivision (1).

(c) The committee shall operate under the policies governing study committees adopted by the legislative council.

(d) The affirmative vote of a majority of the voting members appointed to the committee are required for the committee to take action on any measure, including final reports.

(e) Notwithstanding any other provision of this SECTION, the legislative council may assign the study required under this SECTION to any other interim study committee.

(f) This SECTION expires November 1, 2002."

Renumber all SECTIONS consecutively.

(Reference is to SB 19 as reprinted February 5, 2002.)
and when so amended that said bill do pass.

Committee Vote: yeas 20, nays 4.

BAUER, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Human Affairs, to which was referred Engrossed Senate Bill 20, 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 3, line 21, delete "notice:" and insert "**notice on an intermittent basis for a period of time as provided in the agreement between the clearinghouse and the broadcaster.**"

Page 3, delete lines 22 through 32.

(Reference is to SB 20 as printed January 18, 2002.)
and when so amended that said bill do pass.

Committee Vote: yeas 11, nays 0.

SUMMERS, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred Engrossed Senate Bill 25, 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 25, nays 0.

BAUER, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred Engrossed Senate Bill 52, 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, between lines 10 and 11, begin a new paragraph and insert:

"SECTION 3. IC 36-7-26-1, AS AMENDED BY P.L.291-2001, SECTION 200, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE APRIL 1, 2002 (RETROACTIVE)]: Sec. 1. This chapter applies to the following:

(1) A city having a population of more than seventy-five thousand (75,000) but less than ninety thousand (90,000).

(2) A city having a population of more than ~~ninety thousand (90,000) but less than one hundred ten thousand (110,000): one hundred five thousand (105,000) but less than one hundred twenty thousand (120,000).~~

(3) A city having a population of more than one hundred fifty thousand (150,000) but less than five hundred thousand (500,000).

(4) A city having a population of more than one hundred twenty thousand (120,000) but less than one hundred fifty thousand (150,000).

SECTION 4. IC 36-7-26-23, AS AMENDED BY P.L.291-2001, SECTION 202, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE APRIL 1, 2002 (RETROACTIVE)]: Sec. 23. (a)

Before the first business day in October of each year, the board shall require the department to calculate the net increment for the preceding state fiscal year. The department shall transmit to the board a statement as to the net increment in sufficient time to permit the board to review the calculation and permit the transfers required by this section to be made on a timely basis.

(b) There is established a sales tax increment financing fund to be administered by the treasurer of state. The fund is comprised of two (2) accounts called the net increment account and the credit account.

(c) On the first business day in October of each year, that portion of the net increment calculated under subsection (a) that is needed:

(1) to pay debt service on the bonds issued under section 24 of this chapter or to pay lease rentals under section 24 of this chapter; and

(2) to establish and maintain a debt service reserve established by the commission or by a lessor that provides local public improvements to the commission;

shall be transferred to and deposited in the fund and credited to the net increment account. Money credited to the net increment account is pledged to the purposes described in subdivisions (1) and (2), subject to the other provisions of this chapter.

(d) On the first business day of October in each year, the remainder of:

(1) eighty percent (80%) of the gross increment; minus

(2) the amount credited to the net increment account on the same date;

shall be transferred and credited to the credit account.

(e) The remainder of:

(1) the gross increment; minus

(2) the amounts credited to the net increment account and the credit account;

shall be deposited by the auditor of state as other gross retail and use taxes are deposited.

(f) A city described in section 1(2), 1(3), or 1(4) of this chapter may receive not more than fifty percent (50%) of the net increment each year. During the time a district exists in a city described in section ~~1(2); 1(3) or 1(4)~~ of this chapter, not more than a total of one million dollars (\$1,000,000) of net increment may be paid to the city described in section ~~1(2); 1(3) or 1(4)~~ of this chapter. **During each year that a district exists in a city described in section 1(2) of this chapter, not more than one million dollars (\$1,000,000) of net increment may be paid to the city described in section 1(2) of this chapter.**

(g) The auditor of state shall disburse all money in the fund that is

credited to the net increment account to the commission in equal semiannual installments on November 30 and May 31 of each year.

SECTION 5. IC 36-7-26-24, AS AMENDED BY P.L.185-2001, SECTION 9, AND AS AMENDED BY P.L.291-2001, SECTION 203, IS AMENDED AND CORRECTED TO READ AS FOLLOWS [EFFECTIVE APRIL 1, 2002 (RETROACTIVE)]: Sec. 24. (a) The commission may issue bonds, payable in whole or in part, from money distributed from the fund to the commission, to finance a local public improvement under IC 36-7-14-25.1 or may make lease rental payments for a local public improvement under IC 36-7-14-25.2 and IC 36-7-14-25.3. The term of any bonds issued under this section may not exceed twenty (20) years, nor may the term of any lease agreement entered into under this section exceed twenty (20) years. The commission shall transmit to the board a transcript of the proceedings with respect to the issuance of the bonds or the execution and delivery of a lease agreement as contemplated by this section. The transcript must include a debt service or lease rental schedule setting forth all payments required in connection with the bonds or the lease rentals.

(b) On January 15 of each year, the commission shall remit to the treasurer of state the money disbursed from the fund that is credited to the net increment account that exceeds the amount needed to pay debt service or lease rentals and to establish and maintain a debt service reserve under this chapter in the prior year and before May 31 of that year. Amounts remitted under this subsection shall be deposited by the auditor of state as other gross retail and use taxes are deposited.

(c) The commission in a city described in section 1(2) of this chapter may *only* distribute money from the fund *only* for the following:

- (1) Road, interchange, and right-of-way improvements. **and for**
- (2) **Acquisition costs of a commercial retail facility and for** real property acquisition costs in furtherance of the road, interchange, and right-of-way improvements.
- (3) **Demolition of commercial property and any related expenses incurred before or after the demolition of the commercial property.**
- (4) **Physical improvements or alterations of property that enhance the commercial viability of the district.**

(d) The commission in a city described in section 1(3) of this chapter may distribute money from the fund only for the following purposes:

- (1) For road, interchange, and right-of-way improvements and for real property acquisition costs in furtherance of the road, interchange, and right-of-way improvements.
- (2) For the demolition of commercial property and any related expenses incurred before or after the demolition of the commercial property.

(e) The commission in a city described in section 1(4) of this chapter may distribute money from the fund only for the following purposes:

- (1) For:
 - (A) the acquisition, demolition, and renovation of property; and
 - (B) site preparation and financing; related to the development of housing in the district.
- (2) For physical improvements or alterations of property that enhance the commercial viability of the district."

Page 9, after line 35, begin a new paragraph and insert: "SECTION 5. An emergency is declared for this act."

Re-number all SECTIONS consecutively.

(Reference is to SB 52 as printed January 23, 2002.)

and when so amended that said bill do pass.

Committee Vote: yeas 24, nays 0.

BAUER, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred Engrossed Senate Bill 73, 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 24, nays 0.

BAUER, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Public Policy, Ethics and Veterans Affairs, to which was referred Engrossed Senate Bill 86, 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 9, delete "vehicle having" and insert "**vehicle:**

(1) that has".

Page 1, line 10, delete "another" and insert "**another; and (2) that does not allow the horse to be transported in a standing position with its head in a normal upright position above its withers;**".

Page 1, line 10, beginning with "commits" begin a new line blocked left.

(Reference is to SB 86 as printed February 1, 2002.)

and when so amended that said bill do pass.

Committee Vote: yeas 8, nays 1.

KUZMAN, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Public Health, to which was referred Engrossed Senate Bill 107, 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 and to make an appropriation.

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

"SECTION 1. IC 4-12-8-2, AS AMENDED BY P.L.291-2001, SECTION 70, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 2. (a) The Indiana prescription drug account is established within the Indiana tobacco master settlement agreement fund for the purpose of providing access to needed prescription drugs to ensure the health and welfare of Indiana's low-income senior citizens. The account consists of:

- (1) amounts to be distributed to the account from the Indiana tobacco master settlement agreement fund;
- (2) appropriations to the account from other sources; **and**
- (3) **rebates for the Indiana prescription drug program established under IC 12-10-16; and**
- (4) grants, gifts, and donations intended for deposit in the account.

(b) The account shall be administered by the budget agency. Expenses for administration and benefits under the Indiana prescription drug program established under IC 12-10-16 shall be paid from the account. Money in the account at the end of the state fiscal year does not revert to the state general fund **or the Indiana tobacco master settlement agreement fund but is annually appropriated and remains available for expenditure for the Indiana prescription drug program.**

(c) Money in the account may be used to match federal funds for the Indiana prescription drug program established under IC 12-10-16.

SECTION 2. IC 12-10-16-3, AS ADDED BY P.L.21-2000, SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 3. **(a)** The office of the secretary shall administer a program implementing the recommendations of the prescription drug advisory committee to provide access to needed pharmaceuticals to ensure the health and welfare of Indiana's low-income senior citizens.

(b) An Indiana resident is eligible to participate in the program under the Medicaid waiver if the resident meets the following criteria:

- (1) The resident is at least sixty-five (65) years of age.
- (2) The resident has a family income of not more than two hundred percent (200%) of the federal poverty level, without regard to the resident's countable assets.
- (3) The resident has completed the application prescribed by the office.
- (4) The resident meets the conditions required by the Medicaid waiver.

(c) An Indiana resident is eligible to participate in the program if the resident meets the following criteria:

- (1) The resident is at least sixty-five (65) years of age.
- (2) The resident has a family income of not more than two hundred percent (200%) of the federal poverty level.
- (3) The resident has completed the application prescribed by the office.

SECTION 3. IC 12-10-16-7 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 7. The office shall establish, for each individual in the program, an annual prescription drug benefit that is at least one thousand dollars (\$1,000) and not more than two thousand dollars (\$2,000)."

Page 2, between lines 7 and 8, begin a new line block indented and insert:

"(9) A township trustee."

Page 2, line 8, strike "(9) Three (3)" and insert "(10) Two (2)".

Page 3, between lines 11 and 12, begin a new paragraph and insert:

"SECTION 6. [EFFECTIVE UPON PASSAGE] (a) As used in this SECTION, "office" refers to the office of Medicaid policy and planning.

(b) Before the office may submit an application for a federal Medicaid waiver that will have an effect on the Indiana prescription drug program established by IC 12-10-16-3, as amended by this act, the office must submit the proposed Medicaid waiver to the prescription drug advisory committee. The Indiana prescription drug advisory committee shall review and allow public comment on the proposed Medicaid waiver.

(c) Any prescription drug program implemented or established by the office or a contractor of the office under this SECTION must provide unrestricted access to prescription drugs for the recipients in the Indiana prescription drug program.

(d) The office or a contractor of the office may not use programs to limit or restrict access to the prescription drugs in the Indiana prescription drug program, including the use of prior authorization, prescription quantity limits, or a preferred drug list.

(e) This SECTION expires December 31, 2004.

SECTION 7. [EFFECTIVE UPON PASSAGE] (a) As used in this SECTION, "office" refers to the office of Medicaid policy and planning established by IC 12-8-6-1.

(b) Before July 1, 2002, the office shall apply to the United States Department of Health and Human Services for approval of any waiver necessary to fund prescription drugs under the Indiana prescription drug program established by IC 12-10-16-3, as amended by this act.

(c) The office may not implement the waiver until the office files an affidavit with the governor attesting that the federal waiver applied for under this SECTION is in effect. The office shall file the affidavit under this subsection not later than five (5) days after the office is notified that the waiver is approved.

(d) If the office receives a waiver under this SECTION from the United States Department of Health and Human Services and the governor receives the affidavit filed under subsection (c), the office shall implement the waiver not more than sixty (60) days after the governor receives the affidavit.

SECTION 8. [EFFECTIVE JULY 1, 2002] (a) There is appropriated from the Indiana tobacco master settlement agreement fund (IC 4-12-1-14.3) fifteen million five hundred sixteen thousand six hundred eighteen dollars (\$15,516,618) to the Indiana prescription drug account. The budget agency shall allot the money appropriated in this subsection for the Indiana

prescription drug account.

(b) Notwithstanding IC 4-12-1-14.3, the amount appropriated under subsection (a) is the remainder of the amount appropriated under P.L.21-2000, SECTION 12 for the Indiana prescription drug program that was not placed in the Indiana prescription drug account and does not count against the maximum amount of expenditures, transfers, or distributions that may be made from the Indiana tobacco master settlement agreement fund during the state fiscal year.

(c) This SECTION expires July 1, 2004.

SECTION 9. [EFFECTIVE UPON PASSAGE] (a) As used in this SECTION, "office" refers to the office the secretary of family and social services.

(b) As used in this SECTION, "point of sale system" means a system that uses an electronic hardware device that is:

- (1) operated by a pharmacist on behalf of the office; and
- (2) capable of reading information on a card that is issued by the office and providing an immediate prescription drug benefit to the eligible recipient.

(c) Before July 1, 2002, the office shall establish and implement a point of sale system for the Indiana prescription drug program established by IC 12-10-16-3.

(d) This SECTION expires July 1, 2002."

Renumber all SECTIONS consecutively.

(Reference is to SB 107 as printed January 18, 2002.)

and when so amended that said bill do pass.

Committee Vote: yeas 12, nays 0.

C. BROWN, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Public Policy, Ethics and Veterans Affairs, to which was referred Engrossed Senate Bill 148, 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.

KUZMAN, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred Engrossed Senate Bill 156, 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 6, after "article" insert "**and may be used at the request of the attorney general with the approval of the budget agency after review by the budget committee**".

(Reference is to SB 156 as printed January 18, 2002.)

and when so amended that said bill do pass.

Committee Vote: yeas 23, nays 0.

BAUER, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Public Policy, Ethics and Veterans Affairs, to which was referred Engrossed Senate Bill 168, 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 7, delete "(a)".

Page 2, delete lines 17 through 21.

(Reference is to SB 168 as reprinted February 4, 2002.)

and when so amended that said bill do pass.

Committee Vote: yeas 10, nays 0.

KUZMAN, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred Engrossed Senate Bill 173, 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 11, delete "No" and insert "**Except as provided in subsection (e), no**".

Page 2, between lines 26 and 27, begin a new paragraph and insert:

"(e) A regular, paid police employee of the state police department who is permanently and totally disabled by a catastrophic personal injury that:

(1) is sustained in the line of duty after January 1, 2001; and

(2) permanently prevents the employee from performing any gainful work;

shall receive a disability pension equal to the employee's regular salary at the commencement of the disability. The disability pension provided under this subsection is provided instead of the regular monthly disability pension. The disability pension provided under this subsection must be increased at a rate equal to any salary increases the employee would have received if the employee remained in active service."

(Reference is to SB 173 as reprinted January 29, 2002.)
and when so amended that said bill do pass.

Committee Vote: yeas 23, nays 0.

BAUER, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Education, to which was referred Engrossed Senate Bill 207, 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 7, delete "a public school (as defined in".

Page 2, delete line 8.

Page 2, line 9, delete "IC 20-10.2-1-3) or by".

Page 2, line 10, after "public" insert "**school (as defined in IC 20-10.1-1-2)**".

Page 2, line 10, after "nonpublic school" insert "**(as defined in IC 20-10.1-1-3)**".

Page 3, between lines 11 and 12, begin a new paragraph and insert:

"SECTION 2. IC 5-2-5-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 7. (a) Except as provided in subsection (c), on request for release or inspection of a limited criminal history, law enforcement agencies may and the department shall do the following:

(1) Require a form, provided by them, to be completed. This **form information** shall be maintained for a period of two (2) years and shall be available to the record subject upon request.

(2) Collect a three dollar (\$3) fee to defray the cost of processing a request for inspection.

(3) Collect a seven dollar (\$7) fee to defray the cost of processing a request for release. However, law enforcement agencies and the department may not charge the fee for requests received from the parent locator service of the child support bureau of the division of family and children.

(b) Law enforcement agencies and the department shall edit information so that the only information released or inspected is information which:

(1) has been requested; and

(2) is limited criminal history information.

(c) The fee required under subsection (a) shall be waived if the request is from the institute for conviction information that will be used to establish or update the sex and violent offender registry under IC 5-2-12."

Page 3, delete lines 40 through 42.

Delete page 4.

Page 5, delete lines 1 through 12.

Page 5, delete lines 18 through 42, begin a new line block indented

and insert:

"(1) apply for:

(A) employment with the school corporation; or

(B) employment with an entity with which the school corporation contracts for services;

(2) seek to enter into a contract to provide services to the school corporation; or

(3) are employed by an entity that seeks to enter into a contract to provide services to the school corporation;

if the individuals are likely to have direct, ongoing contact with children within the scope of the individuals' employment.

(b) A school corporation, including a school township, shall administer a policy adopted under this section uniformly for all individuals to whom the policy applies. A policy adopted under this section may require any of the following:

(1) The school corporation, including a school township, may request limited criminal history information concerning each applicant for noncertificated employment or certificated employment from a local or state law enforcement agency before or not later than three (3) months after the applicant's employment by the school corporation.

(2) Each individual hired for noncertificated employment or certificated employment may be required to provide a written consent for the school corporation to request under IC 5-2-5 limited criminal history information or a national criminal history background check concerning the individual before or not later than three (3) months after the individual's employment by the school corporation. The school corporation may require the individual to provide a set of fingerprints and pay any fees required for a national criminal history background check.

(3) Each individual hired for noncertificated employment may be required at the time the individual is hired to submit a certified copy of the individual's limited criminal history (as defined in IC 5-2-5-1(1)) to the school corporation.

(4) Each individual hired for noncertificated employment may be required at the time the individual is hired to:

(A) submit a request to the Indiana central repository for limited criminal history information under IC 5-2-5;

(B) obtain a copy of the individual's limited criminal history; and

(C) submit to the school corporation the individual's limited criminal history and a document verifying a disposition (as defined in IC 5-2-5-1(6)) that does not appear on the limited criminal history.

(5) Each applicant for noncertificated employment or certificated employment may be required at the time the individual applies to answer questions concerning the individual's limited criminal history. The failure to answer honestly questions asked under this subdivision is grounds for termination of the employee's employment.

(6) Each individual that:

(A) seeks to enter into a contract to provide services to a school corporation; or

(B) is employed by an entity that seeks to enter into a contract with a school corporation;

may be required at the time the contract is formed to comply with the procedures described in ~~subdivision (4)(A) and (4)(B)~~. ~~The school corporation either may require that the individual or the contractor comply with the procedures described in subdivision (4)(C) or (5):~~ **subdivisions (2), (4), and (5). An individual who is employed by an entity that seeks to enter into a contract with a school corporation may be required to provide the consent described in subdivision (2) or the information described in subdivisions (4) and (5) to either the individual's employer or the school corporation.** Failure to comply with subdivisions (2), (4), and (5), as required by the school corporation, is grounds for termination of the contract.

(c) If an individual is required to obtain a limited criminal history under this section, the individual is responsible for all costs associated with obtaining the limited criminal history.

(d) Information obtained under this section must be used in

accordance with IC 5-2-5-6 or IC 5-2-5-15."

Delete page 6.

Page 7, delete lines 1 through 10.

Page 7, delete lines 21 through 41, begin a new paragraph and insert:

"(b) **This subsection applies when a prosecuting attorney knows that a licensed employee of a public school (as defined in IC 20-10.1-1-2) or an accredited nonpublic school has been convicted of an offense listed in subsection (d). The prosecuting attorney shall immediately give written notice of the conviction to the following:**

(1) **The state superintendent.**

(2) **Except as provided in subdivision (3), the superintendent of the school corporation that employs the licensed employee or the equivalent authority for an accredited nonpublic school.**

(3) **The presiding officer of the governing body of the school corporation that employs the licensed employee, if the convicted licensed employee is the superintendent of the school corporation."**

Page 7, line 42, delete "(d)" and insert "(c)".

Page 7, line 42, after "corporation" insert ", **presiding officer of the governing body,"**

Page 8, delete lines 2 through 10, begin a new line blocked left and insert: "the state superintendent when the person knows that a current or former licensed employee of the **public school corporation** or accredited nonpublic school has been convicted of an offense listed in subsection ~~(c)~~: **(d)**."

Page 8, line 11, delete "(e)" and insert "**(d)**".

Page 8, line 32, delete "(f)" and insert "**(e)**".

Page 8, delete lines 34 through 38.

Page 9, line 1, delete "any".

Page 9, line 1, after "(1)" insert "**or more**".

Page 9, line 39, strike "only".

Page 9, line 39, after "(1)" insert "**or more**".

Page 10, delete lines 38 through 42, begin a new paragraph and insert:

"SECTION 7. IC 20-8.1-5.1-7.8 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: **Sec. 7.8. Before a person may initiate action to suspend or expel a student under this chapter, the person must consult the following:**

(1) **A teacher, if any, who is involved in the matter giving rise to possible disciplinary action against the student.**

(2) **A classroom teacher of the student.**

SECTION 8. IC 20-8.1-5.1-18 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 18. (a) This section applies to a person who:

(1) is a member of the administrative staff, a teacher, or other school staff member; and

(2) has students under the person's charge.

(b) A person may take disciplinary action in addition to suspension and expulsion that is necessary to ensure a safe, orderly, and effective educational environment. **However, if the person who wishes to take disciplinary action under this section is not a teacher of the student, before the person may take disciplinary action under this section, the person must consult the following:**

(1) **A teacher, if any, who is involved in the matter giving rise to possible disciplinary action against the student.**

(2) **A classroom teacher of the student.**

(c) Disciplinary action under this section may include the following:

(1) Counseling with a student or group of students.

(2) Conferences with a parent or group of parents.

(3) Assigning additional work.

(4) Rearranging class schedules.

(5) Requiring a student to remain in school after regular school hours to do additional school work or for counseling.

(6) Restricting extracurricular activities.

(7) Removal of a student by a teacher from that teacher's class for a period not to exceed:

(A) five (5) class periods for middle, junior high, or high

school students; or

(B) one (1) school day for elementary school students; if the student is assigned regular or additional school work to complete in another school setting.

(8) Assignment by the principal of:

(A) a special course of study;

(B) an alternative educational program; or

(C) an alternative school.

(9) Assignment by the principal of the school where the recipient of the disciplinary action is enrolled of not more than one hundred twenty (120) hours of service with a nonprofit organization operating in or near the community where the school is located or where the student resides. The following apply to service assigned under this subdivision:

(A) A principal may not assign a student under this subdivision unless the student's parent or guardian approves:

(i) the nonprofit organization where the student is assigned; and

(ii) the plan described in clause (B)(i).

A student's parent or guardian may request or suggest that the principal assign the student under this subdivision.

(B) The principal shall make arrangements for the student's service with the nonprofit organization. Arrangements must include the following:

(i) A plan for the service that the student is expected to perform.

(ii) A description of the obligations of the nonprofit organization to the student, the student's parents, and the school corporation where the student is enrolled.

(iii) Monitoring of the student's performance of service by the principal or the principal's designee.

(iv) Periodic reports from the nonprofit organization to the principal and the student's parent or guardian of the student's performance of the service.

(C) The nonprofit organization must obtain liability insurance in the amount and of the type specified by the school corporation where the student is enrolled that is sufficient to cover liabilities that may be incurred by a student who performs service under this subdivision.

(D) Assignment of service under this subdivision suspends the implementation of a student's suspension or expulsion. A student's completion of service assigned under this subdivision to the satisfaction of the principal and the nonprofit organization terminates the student's suspension or expulsion.

(10) Removal of a student from school sponsored transportation.

(11) Referral to the juvenile court having jurisdiction over the student.

~~(c)~~ **(d)** As used in this subsection, "physical assault" means the knowing or intentional touching of another person in a rude, insolent, or angry manner. When a student physically assaults a person having authority over the student, the principal of the school where the student is enrolled shall make a referral of the student to the juvenile court having jurisdiction over the student. However, a student with disabilities (as defined in IC 20-1-6.1-7) who physically assaults a person having authority over the student is subject to procedural safeguards under 20 U.S.C. 1415.

SECTION 9. IC 34-13-2-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 3. (a) A judgment rendered with respect to or a settlement made by a governmental entity bars an action by the claimant against an employee whose conduct gave rise to the claim resulting in that judgment or settlement.

(b) The governmental entity shall pay any judgment, compromise, or settlement of a claim or suit against an employee when ~~(1)~~ the act or omission causing the loss is within the scope of the employee's employment. ~~and~~

~~(2) the:~~

~~(A) governor, in the case of a claim or suit against a state employee; or~~

~~(B) the governing body of the political subdivision; in the~~

case of a claim or suit against an employee of a political subdivision;

determines that paying the judgment, compromise, or settlement is in the best interest of the governmental entity.

(c) The governmental entity shall pay all costs and fees incurred by or on behalf of an employee in defense of a claim or suit for a loss occurring because of acts or omissions within the scope of the employee's employment, regardless of whether the employee can or cannot be held personally liable for the loss.

(d) This chapter shall not be construed as:

- (1) a waiver of the eleventh amendment to the Constitution of the United States;
- (2) consent by the state of Indiana or its employees to be sued in any federal court; or
- (3) consent to be sued in any state court beyond the boundaries of Indiana.

SECTION 10. IC 34-13-3-5, AS AMENDED BY P.L.192-2001, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 5. (a) Civil actions relating to acts taken by a board, a committee, a commission, an authority, or another instrumentality of a governmental entity may be brought only against the board, the committee, the commission, the authority, or the other instrumentality of a governmental entity. A member of a board, a committee, a commission, an authority, or another instrumentality of a governmental entity may not be named as a party in a civil suit that concerns the acts taken by a board, a committee, a commission, an authority, or another instrumentality of a governmental entity where the member was acting within the scope of the member's employment. For the purposes of this subsection, a member of a board, a committee, a commission, an authority, or another instrumentality of a governmental entity is acting within the scope of the member's employment when the member acts as a member of the board, committee, commission, authority, or other instrumentality.

(b) A judgment rendered with respect to or a settlement made by a governmental entity bars an action by the claimant against an employee, including a member of a board, a committee, a commission, an authority, or another instrumentality of a governmental entity, whose conduct gave rise to the claim resulting in that judgment or settlement. A lawsuit alleging that an employee acted within the scope of the employee's employment must be exclusive to the complaint and bars an action by the claimant against the employee personally. However, if the governmental entity answers that the employee acted outside the scope of the employee's employment, the plaintiff may amend the complaint and sue the employee personally. An amendment to the complaint by the plaintiff under this subsection must be filed not later than one hundred eighty (180) days from the date the answer was filed and may be filed notwithstanding the fact that the statute of limitations has run.

(c) A lawsuit filed against an employee personally must allege that an act or omission of the employee that causes a loss is:

- (1) criminal;
- (2) clearly outside the scope of the employee's employment;
- (3) malicious;
- (4) willful and wanton; or
- (5) calculated to benefit the employee personally.

The complaint must contain a reasonable factual basis supporting the allegations.

(d) Subject to the provisions of sections 4, 14, 15, and 16 of this chapter, the governmental entity shall pay any judgment, compromise, or settlement of a claim or suit against an employee when

(+) the act or omission causing the loss is within the scope of the employee's employment, regardless of whether the employee can or cannot be held personally liable for the loss.

and

(-) the:

(A) governor in the case of a claim or suit against a state employee; or

(B) governing body of the political subdivision; in the case of a claim or suit against an employee of a political subdivision;

determines that paying the judgment, compromise, or settlement is in the best interest of the governmental entity.

(e) The governmental entity shall provide counsel for and pay all costs and fees incurred by or on behalf of an employee in defense of a claim or suit for a loss occurring because of acts or omissions within the scope of the employee's employment, regardless of whether the employee can or cannot be held personally liable for the loss.

(f) This chapter shall not be construed as:

- (1) a waiver of the eleventh amendment to the Constitution of the United States;
- (2) consent by the state of Indiana or its employees to be sued in any federal court; or
- (3) consent to be sued in any state court beyond the boundaries of Indiana."

Delete page 11.

Page 12, delete lines 1 through 23.

Renumber all SECTIONS consecutively.

(Reference is to SB 207 as reprinted February 4, 2002.) and when so amended that said bill do pass.

Committee Vote: yeas 13, nays 1.

PORTER, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, 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:

Delete the committee report of the Committee on Agriculture, Natural Resources and Rural Development adopted by the House of Representatives on February 14, 2002.

Delete the title and insert the following:

A BILL FOR AN ACT to amend the Indiana Code concerning human services and to make an appropriation.

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

"SECTION 1. IC 2-5-27 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]:

Chapter 27. Commission on Mental Retardation and Developmental Disabilities

Sec. 1. As used in this chapter, "commission" refers to the commission on mental retardation and developmental disabilities established under section 2 of this chapter.

Sec. 2. There is established the commission on mental retardation and developmental disabilities as a legislative study committee.

Sec. 3. (a) The commission consists of the following members:

(1) Two (2) members of the house of representatives appointed by the speaker of the house of representatives. The members appointed under this subdivision may not be members of the same political party.

(2) Two (2) members of the senate appointed by the president pro tempore of the senate. The members appointed under this subdivision may not be members of the same political party.

(3) The following members appointed by the governor:

(A) One (1) member at large.

(B) One (1) member who is a consumer of mental retardation or developmental disability services.

(C) One (1) member who is a representative of advocacy groups for consumers of mental retardation and developmental disability services.

(D) Two (2) members who are representatives of families of consumers of mental retardation and developmental disability services.

(E) One (1) member who is a representative of an organization providing services to individuals with mental retardation and developmental disabilities.

(F) Two (2) members who are representatives of a labor

organization or union that represents state employees.

(b) The term of a commission member appointed under subsection (a)(3) is three (3) years.

(c) The governor shall fill a vacancy of a member under subsection (a)(3) within ten (10) days after the vacancy occurs.

(d) If:

(1) the term of a member appointed under subsection (a)(3) expires;

(2) the member is not reappointed; and

(3) a successor is not appointed;

the term of the member continues until a successor is appointed.

Sec. 4. The commission shall do the following:

(1) Develop a long range plan to stimulate further development of cost effective, innovative models of community based services, including recommendations that identify implementation schedules, plans for resource development, and appropriate regulatory changes.

(2) Review and make recommendations regarding any unmet needs for mental retardation and developmental disability services, including the following:

(A) Community residential and family support services.

(B) Services for aging families caring for their children who are mentally retarded and developmentally disabled adults.

(C) Services for families in emergency or crisis situations.

(D) Services needed to move children and adults from nursing homes and state hospitals to the community.

(3) Study and make recommendations for the state to use state employees or contract with a private entity to manage and implement home and community based services waivers under 42 U.S.C. 1396n(c).

(4) Study and make recommendations regarding state funding needed to provide supplemental room and board costs for individuals who otherwise qualify for residential services under the home and community based services waivers.

(5) Monitor and recommend changes for improvements in the implementation of home and community based services waivers managed by the state or by a private entity.

(6) Review and make recommendations regarding the implementation of the comprehensive plan prepared by the developmental disabilities task force established by P.L.245-1997, SECTION 1.

(7) Review and make recommendations regarding the development by the division of disability, aging, and rehabilitative services of a statewide plan to address quality assurance in community based services.

(8) Annually review the infants and toddlers with disabilities program established under IC 12-17-15.

Sec. 5. The commission shall operate under the policies governing study committees adopted by the legislative council.

Sec. 6. The affirmative votes of a majority of the members appointed to the commission are required for the commission to take action on any measure, including final reports.

Sec. 7. This chapter expires January 1, 2005."

Page 1, line 12, delete "closure" and insert "downsizing".

Page 2, line 6, delete "closing" and insert "downsizing".

Page 2, line 14, delete "closure" and insert "downsizing".

Page 2, line 34, delete "closure" and insert "downsizing".

Page 2, line 37, delete "all" and insert "appropriate".

Page 2, line 40, delete "closing" and insert "downsizing".

Page 2, between lines 40 and 41, begin a new line block indented and insert:

"(2) A plan for allowing all Muscatatuck State Developmental Center employees to remain in their current collective bargaining units and classifications with the same or similar wages and benefits as current state employees. An employer shall recognize the current labor organization or labor union as the exclusive representative of the employees."

Page 2, line 41, delete "(2)" and insert "(3)".

Page 3, line 2, delete "(3)" and insert "(4)".

Page 3, line 10, delete "closure" and insert "downsizing".

Page 3, line 11, delete "(4)" and insert "(5)".

Page 3, line 14, delete "(5)" and insert "(6)".

Page 3, line 17, delete "(6)" and insert "(7)".

Page 3, line 19, after "and" insert "compliance with".

Page 3, line 31, delete "all".

Page 4, between lines 5 and 6, begin a new paragraph and insert: "SECTION 3. THE FOLLOWING ARE REPEALED [EFFECTIVE JULY 1, 2002]: P.L.272-1999, SECTION 67; P.L.242-2001, SECTION 3.

SECTION 4. [EFFECTIVE JULY 1, 2002] Notwithstanding IC 2-5-27-3, as added by this act, an individual who was appointed as a lay member of the Indiana commission on mental retardation and developmental disabilities in 2001 remains a member of the commission until:

(1) the member resigns; or

(2) January 1, 2004;

whichever is earlier.

SECTION 5. [EFFECTIVE UPON PASSAGE] (a) As used in this SECTION, "accrued leave" refers to the number of days the former employee had accrued as of the date of the employee's termination at the state agency for the following:

(1) Vacation days exceeding thirty (30) days.

(2) Sick days.

(3) Personal days.

(b) As used in this SECTION, "former employee" means an individual who:

(1) was employed at a facility operated by a state agency;

(2) was terminated from employment after February 1, 2002, due to the closing or downsizing of the facility operated by the state agency; and

(3) is not an employee of a state agency.

(c) As used in this SECTION, "state agency" includes the following:

(1) The division of disability, aging, and rehabilitative services (IC 12-9-1-1).

(2) The division of mental health and addiction (IC 12-21-1-1).

(3) The state department of health (IC 16-19-1-1).

(4) The department of correction (IC 11-8-2-1).

(d) A former employee is entitled to be paid an amount equal to the sum of the following:

(1) Full pay for the first thirty (30) days of accrued vacation.

(2) Sixty percent (60%) of the accrued leave days multiplied by the hourly rate of pay earned by the former employee at the time of the employee's termination.

(e) The former employee is entitled to continue to participate in the group health insurance program offered to state employees until the earliest of the following:

(1) The former employee is employed by an employer that provides health insurance benefits to its employees.

(2) One (1) year after the former employee's termination from state employment.

(3) The expiration of this SECTION.

(f) A former employee who participates in the state employee health insurance program under subsection (e) must pay the employee portion of the group health insurance program. The state shall pay the employer portion of the group health insurance program.

(g) This SECTION expires January 1, 2004.

SECTION 6. [EFFECTIVE UPON PASSAGE] (a) Not later than July 1, 2002, the department of workforce development shall establish and operate retraining programs for employees of the Madison state hospital who are terminated from employment due to any downsizing of the Madison state hospital.

(b) This SECTION expires July 1, 2003.

SECTION 7. [EFFECTIVE JULY 1, 2001 (RETROACTIVE)] (a) There is appropriated to the department of workforce development five hundred thousand dollars (\$500,000) from the state general fund for the period beginning July 1, 2001, and

ending June 30, 2003, to carry out SECTION 6 of this act.

(b) This SECTION expires July 1, 2003."

Renumber all SECTIONS consecutively.

(Reference is to SB 217 as reprinted January 25, 2002, and as amended by the committee report of the Committee on Agriculture, Natural Resources and Rural Development adopted by the House of Representatives on February 14, 2002.)

and when so amended that said bill do pass.

Committee Vote: yeas 20, nays 6.

BAUER, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Public Health, to which was referred Engrossed Senate Bill 225, 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 12, nays 0.

C. BROWN, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Public Health, to which was referred Engrossed Senate Bill 227, 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 2, delete ""committee"" and insert ""**commission**"".

Page 1, line 2, delete "interim study committee on" and insert "**health finance commission established by IC 2-5-23-3**".

Page 1, delete lines 3 through 4.

Page 1, line 5, delete "There is established the interim study committee on" and insert "**The commission**".

Page 1, delete line 6.

Page 1, line 7, delete "committee".

Page 1, line 9, delete "committee" and insert "**commission**".

Page 1, line 14, delete "committee" and insert "**commission**".

Page 1, delete lines 16 through 18.

Page 2, delete lines 1 through 2.

Page 2, line 3, delete "(e)" and insert "(c)".

(Reference is to SB 227 as printed January 18, 2002.)

and when so amended that said bill do pass.

Committee Vote: yeas 13, nays 0.

C. BROWN, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Public Health, to which was referred Engrossed Senate Bill 228, 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 4-23-27-7, AS ADDED BY P.L.273-1999, SECTION 162, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 7. The board shall direct policy coordination of children's health programs by doing the following:

(1) Developing a comprehensive policy in the following areas:

(A) Appropriate delivery systems of care.

(B) Enhanced access to care.

(C) The use of various program funding for maximum efficiency.

(D) The optimal provider participation in various programs.

(E) The potential for expanding health insurance coverage to other populations.

(F) Technology needs, including development of an electronic claim administration, payment, and data collection system that allows providers to have the following:

(i) Point of service claims payments.

(ii) Instant claims adjudication.

(iii) Point of service health status information.

(iv) Claims related data for analysis.

(G) Appropriate organizational structure to implement health policy in the state.

(2) Coordinating aspects of existing children's health programs, including the children's health insurance program, Medicaid managed care for children, first steps, and children's special health care services, in order to achieve a more seamless system easily accessible by participants and providers, specifically in the following areas:

(A) Identification of potential enrollees.

(B) Outreach.

(C) Eligibility criteria.

(D) Enrollment.

(E) Benefits and coverage issues.

(F) Provider requirements.

(G) Evaluation.

(H) Procurement policies.

(I) Information technology systems, including technology to coordinate payment for services provided through the children's health insurance program under IC 12-17.6 with:

(i) services provided to children with special health needs; and

(ii) public health programs designed to protect all children.

(3) Reviewing, analyzing, disseminating, and using data when making policy decisions.

(4) Overseeing implementation of the children's health insurance program under IC 12-17.6, including:

(A) reviewing:

(i) benefits provided by;

(ii) eligibility requirements for; and

(iii) each evaluation of;

the children's health insurance program on an annual basis in light of available funding; and

(B) making recommendations for changes to the children's health insurance program to the office of the children's health insurance program established under IC 12-17.6-2-1; and

(C) studying benefits appropriate for children's mental health and addiction services.

SECTION 2. IC 12-7-2-40.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 40.5. "Compendia", for purposes of IC 12-15-35 and IC 12-15-35.5, has the meaning set forth in IC 12-15-35-3.

SECTION 3. IC 12-7-2-48.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 48.5. "**Covered outpatient drug**", for purposes of IC 12-15-35, has the meaning set forth in IC 12-15-35-4.5."

Page 1, between lines 12 and 13, begin a new paragraph and insert:

"SECTION 5. IC 12-7-2-100.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 100.5. "**Hard edit**" means the result of a combination of information that precludes a pharmacist from filling a prescription."

Page 1, after line 17, begin a new paragraph and insert:

"SECTION 6. IC 12-7-2-196.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 196.5. "**Unrestricted access**", for purposes of IC 12-15-35.5, has the meaning set forth in IC 12-15-35.5-3.

SECTION 7. IC 12-15-35-4.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4.5. As used in this chapter, "**covered outpatient drug**" has the meaning set forth in 42 U.S.C. 1396r-8(k)(2)."

Page 2, line 33, delete "Seven (7)" and insert "Five (5)".

Page 2, line 35, delete "infectious diseases;" and insert "**family practice;**".

Page 2, line 41, after "medicine;" insert **"and"**.

Page 3, line 1, delete ";" and insert ".".

Page 3, delete lines 2 through 5.

Page 3, line 6, delete "Six (6)" and insert **"Two (2)"**.

Page 3, line 6, after "pharmacists" insert **"who are"**.

Page 3, line 6, delete ", including:" and insert **"and"**.

Page 3, delete lines 7 through 15.

Page 3, line 16, delete "(E) two (2) pharmacists".

Page 3, run in lines 6 through 16.

Page 3, line 17, delete "degree and who have either:" and insert **"degree."**.

Page 3, delete lines 18 through 21.

Page 3, line 32, before "a pharmaceutical" insert **"the state or"**.

Page 3, line 32, after "labeler." insert **"However, this subsection does not apply to a physician who is a Medicaid provider."**.

Page 6, delete lines 18 through 23, begin a new line block indented and insert:

"(12) The preparation and submission of a report concerning the preferred drug list at least two (2) times per year to the select joint commission on Medicaid oversight established by IC 2-5-26-3.

(13) The collection of data reflecting prescribing patterns related to treatment of children diagnosed with attention deficit disorder or attention deficit hyperactivity disorder.".

Page 6, line 38, after "program" insert **"and other state funded programs"**.

Page 6, delete lines 39 through 42, begin a new paragraph and insert:

"(d) Notwithstanding a preferred drug list approved under subsection (a)(11), a practitioner who is authorized to prescribe medication under IC 25 may prescribe a single source covered outpatient drug that the practitioner indicates is medically necessary for a recipient as being the most effective medication available.

(e) A preferred drug list developed under subsection (a)(11) must provide that a single source covered outpatient drug that is newly approved by the federal Food and Drug Administration after the implementation or most recent amendment of the preferred drug list is included on the preferred drug list, unless the board, with the recommendation of the therapeutics committee, determines that the drug should be excluded from the preferred drug list.

(f) The board may not exclude a drug from the preferred drug list based solely on price.

(g) The following requirements apply to a preferred drug list developed under subsection (a)(11):

(1) The office or the board may not require prior authorization for a drug that is included on the preferred drug list.

(2) All drugs described in IC 12-15-35.5-3(b) must be included on the preferred drug list.

(h) At least two (2) times each year, the board shall provide a report to the select joint commission on Medicaid oversight established by IC 2-5-26-3. The report must contain the following information:

(1) The cost of administering the preferred drug list.

(2) Any increase in Medicaid physician, laboratory, or hospital costs or in other state funded programs as a result of the preferred drug list.

(3) The impact of the preferred drug list on the ability of a Medicaid recipient to obtain prescription drugs.

(i) The board shall provide the first report required under subsection (h) not later than six (6) months after the board submits an initial preferred drug list to the office."

Page 7, delete lines 1 through 8, begin a new paragraph and insert:

"(j) In implementing and maintaining a preferred drug list, the board may apply a hard edit to a prescription drug.

(k) If a pharmacist is precluded from filling a prescription due to a hard edit applied under subsection (j), the practitioner who prescribed the drug shall obtain prior authorization before the prescription may be filled."

Page 7, line 21, delete "annual".

Page 9, delete lines 17 through 21.

Page 9, line 22, delete "(b)" and insert **"SECTION 18. IC 12-15-35-43.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 43.5."**

Page 9, line 23, after "proprietary" insert **"or confidential"**.

Page 9, between lines 25 and 26, begin a new paragraph and insert:

"SECTION 19. IC 12-15-35-48 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 48. Notwithstanding sections 46 and 47 of this chapter, each Medicaid managed care organization that uses an outpatient drug formulary must use an outpatient drug formulary that applies to all Medicaid managed care organizations that have been approved by the board."

Page 9, between lines 41 and 42, begin a new paragraph and insert:

"Sec. 3. As used in this chapter, "unrestricted access" means the ability of a recipient to obtain a prescribed drug without being subject to limits or preferences imposed by the office or the board for the purpose of cost savings."

Page 9, line 42, delete "3" and insert "4".

Page 10, between lines 26 and 27, begin a new line block indented and insert:

"(4) A drug that is prescribed according to the compendia as a cross-indicated drug or is classified as a drug to treat any of the following:

(A) The human immunodeficiency virus (HIV) or the acquired immune deficiency syndrome (AIDS).

(B) Hepatitis C.

(C) Hemophilia or related bleeding disorder.

(D) Epilepsy or a seizure disorder."

Page 10, line 31, delete "4" and insert "5".

Page 10, line 39, delete "physician" and insert **"practitioner"**.

Page 10, line 41, delete "physician" and insert **"practitioner"**.

Page 10, line 42, delete "5" and insert "6".

Page 11, line 4, delete "6" and insert "7".

Page 11, line 8, delete "7" and insert "8".

Page 11, line 39, delete "licensed as".

Page 11, line 39, after "nurse" insert **"granted prescriptive authority"**.

Page 11, line 41, after "of" insert **"attention deficit disorder or"**.

Page 11, line 42, delete ":".

Run in page 11, line 42 through page 12, line 1.

Page 12, line 1, delete "(1)".

Page 12, line 3, after "with" insert **"attention deficit disorder or"**.

Page 12, line 3, delete ";" and insert ".".

Page 12, delete lines 4 through 17.

Page 12, delete lines 22 through 26.

Page 12, line 34, delete "two (2) members" and insert **"one (1) member"**.

Page 12, line 42, after "of" delete "one (1)" and insert **"two (2) years; and"**.

Page 13, delete line 1.

Page 13, line 2, delete "two (2) members" and insert **"one (1) member"**.

Page 13, line 2, after "of" delete "two" and insert **"three (3) years."**

Page 13, delete lines 3 through 5.

Renumber all SECTIONS consecutively.

(Reference is to SB 228 as reprinted February 5, 2002.)

and when so amended that said bill do pass.

Committee Vote: yeas 8, nays 5.

C. BROWN, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Roads and Transportation, to which was referred Engrossed Senate Bill 243, 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 11, nays 0.

COOK, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Human Affairs, to which was referred Engrossed Senate Bill 246, 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 5, strike "or".

Page 1, line 7, delete "or".

Page 1, between lines 7 and 8, begin a new line double block indented and insert:

"(C) misdemeanor for operating a child care center without a license under IC 12-17.2-4-35; or

(D) misdemeanor for operating a child care home without a license under IC 12-17.2-5-35; or"

Page 1, line 9, strike "12" and insert "12.1".

Page 1, between lines 10 and 11, begin a new paragraph and insert:

"SECTION 2. IC 12-17.2-3.5-4.1 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 4.1. (a) As used in this section, "individual" means:

(1) a provider;

(2) if a provider provides child care in the provider's home, an individual who resides with the provider and who is at least eighteen (18) years of age; or

(3) an individual who is employed at the facility where a provider provides child care.

(b) If information obtained by a voucher agent under IC 31-33-17-6(7) indicates that an individual has been named as an alleged perpetrator, the following are ineligible to receive a voucher payment:

(1) The individual.

(2) A provider in whose home the individual resides if the provider provides child care in the provider's home.

(3) A provider that employs the individual at the facility where the provider provides child care.

SECTION 3. IC 12-17.2-3.5-5, AS ADDED BY P.L.247-2001, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 5. A provider shall have:

(1) working smoke detectors that meet the standards adopted by rule for smoke detectors in licensed child care homes; and

(2) running water;

in the area of the facility where the provider provides child care.

SECTION 4. IC 12-17.2-3.5-10, AS ADDED BY P.L.247-2001, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 10. (a) A facility where a provider provides child care must have two (2) exits that:

(1) do not require passage through a:

(A) garage; or

(B) storage area;

where hazardous materials are stored;

(2) are not windows;

(3) are on different sides of the facility;

(4) are not blocked; and

(5) are operable from the inside without the use of a key or any special knowledge.

(b) A provider shall:

(1) conduct monthly documented fire drills:

(A) in accordance with Article 13 of the Indiana fire code the rules of the fire prevention and building safety commission; and

(B) that include complete evacuation of all:

(i) children; and

(ii) adults who provide child care;

in the facility;

(2) maintain documentation of all fire drills conducted during the immediately preceding twelve (12) month

period, including:

(A) the date and time of the fire drill;

(B) the name of the individual who conducted the fire drill;

(C) the weather conditions at the time of the fire drill; and

(D) the amount of time required to fully evacuate the facility; and

(3) maintain a two and one-half (2 ½) pound or greater ABC multiple purpose fire extinguisher:

(A) on each floor of the facility; and

(B) in the kitchen area of the facility;

in each facility where the provider provides child care.

SECTION 5. IC 12-17.2-3.5-11.1 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 11.1. (a) A provider shall maintain and annually update documentation provided by the physician of each child who is cared for in a facility where the provider provides child care that the child has received complete age appropriate immunizations as determined by the state department of health.

(b) A provider meets the requirement of subsection (a) if:

(1) a child's parent:

(A) objects to immunizations for religious reasons; and

(B) provides documentation of the parent's objection; or

(2) the child's physician provides documentation of a medical reason that the child should not be immunized;

and the provider maintains and annually updates the documentation provided by the parent or physician under this subsection."

Page 2, line 25, delete "or".

Page 2, line 26, delete "child." and insert "child;"

Page 2, between lines 26 and 27, begin a new line double block indented and insert:

"(C) misdemeanor for operating a child care center without a license under IC 12-17.2-4-35; or

(D) misdemeanor for operating a child care home without a license under IC 12-17.2-5-35."

Page 2, line 30, delete "or".

Page 2, between lines 31 and 32, begin a new line block indented and insert:

"(3) misdemeanor for operating a child care center without a license under IC 12-17.2-4-35; or

(4) misdemeanor for operating a child care home without a license under IC 12-17.2-5-35;"

Page 2, between lines 33 and 34, begin a new paragraph and insert:

"SECTION 7. IC 12-17.2-3.5-12.1 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 12.1. (a) A provider shall, at the provider's expense, provide to the voucher agent a copy of drug testing results for:

(1) the provider;

(2) if the provider provides child care in the provider's home, any individual who resides with the provider and who is at least eighteen (18) years of age; and

(3) an individual who is employed at the facility where the provider provides child care.

(b) If the drug testing results provided under subsection (a) indicate the presence of an illegal controlled substance, the provider is ineligible to receive a voucher payment.

SECTION 8. IC 12-17.2-3.5-14 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 14. (a) Notice of a determination made under this chapter must be provided under IC 4-21.5-3-6.

(b) A person affected by a determination made under this chapter may seek administrative review under IC 4-21.5-3-7."

Page 3, line 1, strike "or".

Page 3, line 3, strike "and".

Page 3, between lines 3 and 4, begin a new line double block indented and insert:

**"(C) a misdemeanor for operating a child care center without a license under IC 12-17.2-4-35; or
(D) a misdemeanor for operating a child care home without a license under IC 12-17.2-5-35; and".**

Page 3, line 5, strike "or".

Page 3, between lines 7 and 8, begin a new line double block indented and insert:

**"(C) a misdemeanor for operating a child care center without a license under IC 12-17.2-4-35; or
(D) a misdemeanor for operating a child care home without a license under IC 12-17.2-5-35;"**.

Page 3, between lines 24 and 25, begin a new line double block indented and insert:

**"(C) A misdemeanor for operating a child care center without a license under IC 12-17.2-4-35.
(D) A misdemeanor for operating a child care home without a license under IC 12-17.2-5-35."**

Page 3, between lines 28 and 29, begin a new line block indented and insert:

"(5) A determination by the division that the applicant previously operated a:

**(A) child care center without a license under IC 12-17.2-4-35; or
(B) child care home without a license under IC 12-17.2-5-35."**

Page 4, between lines 2 and 3, begin a new line double block indented and insert:

**"(C) A misdemeanor for operating a child care center without a license under IC 12-17.2-4-35.
(D) A misdemeanor for operating a child care home without a license under IC 12-17.2-5-35."**

Page 4, between lines 6 and 7, begin a new line block indented and insert:

"(5) A determination by the division that the applicant previously operated a:

**(A) child care center without a license under IC 12-17.2-4-35; or
(B) child care home without a license under IC 12-17.2-5-35."**

Page 4, line 23, strike "or".

Page 4, line 25, strike "and".

Page 4, between lines 25 and 26, begin a new line double block indented and insert:

**"(C) a misdemeanor for operating a child care center without a license under IC 12-17.2-4-35; or
(D) a misdemeanor for operating a child care home without a license under IC 12-17.2-5-35; and".**

Page 4, line 27, strike "or".

Page 4, between lines 29 and 30, begin a new line double block indented and insert:

**"(C) a misdemeanor for operating a child care center without a license under IC 12-17.2-4-35; or
(D) a misdemeanor for operating a child care home without a license under IC 12-17.2-5-35;"**.

Page 5, between lines 9 and 10, begin a new line double block indented and insert:

**"(C) A misdemeanor for operating a child care center without a license under IC 12-17.2-4-35.
(D) A misdemeanor for operating a child care home without a license under IC 12-17.2-5-35."**

Page 5, between lines 13 and 14, begin a new line block indented and insert:

"(5) A determination by the division that the applicant previously operated a:

**(A) child care center without a license under IC 12-17.2-4-35; or
(B) child care home without a license under IC 12-17.2-5-35."**

Page 5, between lines 35 and 36, begin a new line double block indented and insert:

"(C) A misdemeanor for operating a child care center without a license under IC 12-17.2-4-35.

(D) A misdemeanor for operating a child care home without a license under IC 12-17.2-5-35."

Page 5, between lines 39 and 40, begin a new line block indented and insert:

"(5) A determination by the division that the applicant previously operated a:

**(A) child care center without a license under IC 12-17.2-4-35; or
(B) child care home without a license under IC 12-17.2-5-35."**

Page 6, after line 8, begin a new paragraph and insert:

"SECTION 15. IC 31-33-17-6, AS AMENDED BY P.L.36-2001, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 6. Upon request, a person or an organization may have access to information contained in the registry as follows:

(1) A law enforcement agency or local child protective service may have access to a substantiated report.

(2) A person may have access to information consisting of an identifiable notation of a conviction arising out of a report of child abuse or neglect.

(3) Upon submitting written verification of an application for employment or a consent for release of information signed by a child care provider, a person or an agency may obtain the following information contained in the child abuse registry regarding an individual who has applied for employment or volunteered for services in a capacity that would place the individual in a position of trust with children less than eighteen (18) years of age or regarding a child care provider who is providing or may provide child care for the person's child:

(A) Whether a child was found by a court to be a child in need of services based on a report of child abuse or neglect naming the applicant, volunteer, or child care provider as the alleged perpetrator.

(B) Whether criminal charges were filed against the applicant, volunteer, or child care provider based on a report of child abuse or neglect naming the applicant, volunteer, or child care provider as the alleged perpetrator.

(C) Whether a court has issued an arrest warrant for the applicant, volunteer, or child care provider based on a report of child abuse or neglect in which the applicant, volunteer, or child care provider is named as the alleged perpetrator.

(4) A person may have access to whatever information is contained in the registry pertaining to the person, with protection for the identity of:

(A) the person who reports the alleged child abuse or neglect; and

(B) any other appropriate person.

(5) A person or an agency to whom child abuse and neglect reports are available under IC 31-33-18 may also have access to information contained in the registry.

(6) If a child care provider provides child care in the provider's home, upon submitting a consent for release of information signed by an individual who is at least eighteen (18) years of age, who resides with the child care provider, and who may have direct contact with children for whom the provider provides child care, a person may obtain the following information contained in the child abuse registry regarding the individual:

(A) Whether a child was found by a court to be a child in need of services based on a report of child abuse or neglect naming the individual as the alleged perpetrator.

(B) Whether criminal charges were filed against the individual based on a report of child abuse or neglect naming the individual as the alleged perpetrator.

(C) Whether a court has issued an arrest warrant for the individual based on a report of child abuse or neglect in which the individual is named as the alleged perpetrator.

(7) A voucher agent (as defined in IC 12-17.2-3.5-2) may have access to the following information contained in the registry regarding an individual (as defined in IC 12-17.2-3.5-4.1) for purposes of determining the

eligibility of a child care provider to receive a voucher payment (as defined in IC 12-17.2-3.5-3):

(A) Whether a child has been found by a court to be a child in need of services based on a report of child abuse or neglect naming the individual as the alleged perpetrator.

(B) Whether criminal charges have been filed against the individual based on a report of child abuse or neglect naming the individual as the alleged perpetrator.

(C) Whether a court has issued an arrest warrant for the individual based on a report of child abuse or neglect in which the individual is named as the alleged perpetrator.

The voucher agent shall not disclose information obtained under this subdivision.

SECTION 16. IC 35-46-1-4.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 4.5. (a) As used in this section, "child care" means providing for the care, health, safety, and supervision of a child's social, emotional, and educational growth.

(b) As used in this section, "child care provider" means a person who provides child care in or on behalf of:

- (1) a child care center licensed under IC 12-17.2-4; or
- (2) a child care home licensed under IC 12-17.2-5.

(c) If:

- (1) a child care provider recklessly supervises a child; and
- (2) as a result of the child care provider's reckless supervision, the child experiences serious bodily injury;

the child care provider commits reckless supervision of a child, a Class D felony.

(d) If:

- (1) a child care provider recklessly supervises a child; and
- (2) as a result of the child care provider's reckless supervision, the child dies;

the child care provider commits reckless supervision of a child resulting in death, a Class C felony.

SECTION 17. [EFFECTIVE JULY 1, 2002] IC 12-17.2-3.5-10, as amended by this act, applies to a provider that begins receiving voucher payments after June 30, 2002.

SECTION 18. [EFFECTIVE JULY 1, 2002] IC 35-46-1-4.5, as added by this act, applies only to crimes committed after June 30, 2002."

Renumber all SECTIONS consecutively.

(Reference is to SB 246 as printed January 25, 2002.)

and when so amended that said bill do pass.

Committee Vote: yeas 11, nays 0.

SUMMERS, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Local Government, to which was referred Engrossed Senate Bill 248, 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 32-15-6.1 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]:

Chapter 6.1. Actions Involving State Liens

Sec. 1. If:

- (1) the state has a lien or other encumbrance on real property; and
- (2) an action is brought concerning a lien or other encumbrance on the real property that has greater priority than the state's lien or encumbrance, including:

(A) an action:

- (i) involving foreclosure of the prior lien or encumbrance; or
- (ii) that otherwise affects the lien or encumbrance of the state; or

(B) an action brought to foreclose the equity of redemption of the real property after a sale for unpaid taxes or another municipal lien;

the lien or encumbrance of the state and its priority may be considered in the action and decided by the court.

Sec. 2. (a) In an action described in section 1 of this chapter, notice shall be sent to the state that contains the following:

(1) The names of the parties.

(2) A description of the lien or encumbrance of the state.

(3) The date by which the state must answer. However, the time in which the state is required to answer must be the same as the time allowed for defendants who receive personal service in Indiana to file answers.

(4) If the lien or encumbrance is for an inheritance tax, the following if known:

(A) The name of the decedent.

(B) The date of the individual's death.

(C) The state and county in which the individual resided on the date of death.

(D) The names and addresses of:

(i) the decedent's personal representatives; or

(ii) if personal representatives have not been appointed, the names and addresses of the decedent's heirs at law.

(5) If the lien or encumbrance involves:

(A) unpaid corporate taxes; or

(B) interest, costs, or penalties imposed on unpaid corporate taxes;

the name of the corporation that is required to pay the corporate taxes.

(b) The plaintiff, the plaintiff's attorney, or the court clerk shall issue the notice.

(c) If the lien or encumbrance of the state is for:

(1) a tax payable to the state or for any other right or claim of the state, the notice shall be served on the attorney general; and

(2) a recognizance entered into or a criminal conviction entered in a county in Indiana, the notice shall be served on the prosecuting attorney of the county in which the recognizance was entered into or the criminal conviction was entered.

(d) The notice must be accompanied by a copy of the complaint.

Sec. 3. (a) The state is not required to answer the notice described in section 2 of this chapter or the complaint attached to the notice.

(b) If the state fails to answer a notice described in section 2 of this chapter or the complaint attached to the notice, the failure may not be considered:

(1) a waiver of any rights the state may have at law;

(2) grounds for a default judgment against the state; or

(3) grounds for summary judgment or any other dispositive judgment that otherwise extinguishes the state's lien or encumbrance.

Sec. 4. (a) If the state answers a notice described in section 2 of this chapter or otherwise appears before the court in the case:

(1) the action shall proceed as in other cases; and

(2) a judgment in the case binds the state, and the lien or other encumbrance of the state may be released in the same manner as if the judgment had been entered against an individual.

(b) If the state does not answer the notice described in section 2 of this chapter or the complaint attached to the notice or does not otherwise appear before the court in the case:

(1) the action shall proceed as in other cases; and

(2) the lien or other encumbrance of the state identified in the complaint shall be:

(A) explicitly recognized in its proper priority in any order of the court that affects the lien or other encumbrance of the state; and

(B) paid out of any surplus remaining after liens or other encumbrances that are superior to the lien or encumbrance of the state are paid.

(c) In an action to foreclose the equity of redemption under a sale for taxes or another municipal lien or in an action involving strict foreclosure, a judgment may be entered that extinguishes a lien or other encumbrance of the state on the real property described in the complaint if:

- (1) the state does not answer;**
- (2) a disclaimer is filed by the state; or**
- (3) the court determines that any part of the lien for the taxes or other municipal lien that is foreclosed is superior to the lien or encumbrance of the state."**

Renumber all SECTIONS consecutively.

(Reference is to SB 248 as printed January 25, 2002.)

and when so amended that said bill do pass.

Committee Vote: yeas 7, nays 1.

STEVENSON, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Local Government, to which was referred Engrossed Senate Bill 249, 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, after line 16, begin a new paragraph and insert:

"SECTION 2. IC 36-8-14-2, AS AMENDED BY P.L.1-1999, SECTION 102, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 2. (a) As used in this section, "emergency medical services" has the meaning set forth in IC 16-18-2-110.

(b) As used in this section, "volunteer fire department" has the meaning set forth in IC 36-8-12-2.

(c) The legislative body of a unit or the board of fire trustees of a fire protection district may provide a cumulative building and equipment fund under IC 6-1.1-41 for the following purposes:

- (1) The:
 - (1) purchase, construction, renovation, or addition to buildings; or**
 - (2) purchase of land;**
 used by the fire department or a volunteer fire department serving the unit.
- (2) The purchase of firefighting equipment for use of the fire department or a volunteer fire department serving the unit, including making the required payments under a lease rental with option to purchase agreement made to acquire the equipment.
- (3) In a municipality, the purchase of police radio equipment.
- (4) The:
 - (1) purchase, construction, renovation, or addition to a building;**
 - (2) purchase of land; or the**
 - (3) purchase of equipment;**
 for use of a provider of emergency medical services under IC 16-31-5 to the unit establishing the fund.

(d) In addition to the requirements of IC 6-1.1-41, before a cumulative fund may be established by a township fire protection district, the county legislative body which appoints the trustees of the fire protection district must approve the establishment of the fund."

(Reference is to SB 249 as printed February 1, 2002.)

and when so amended that said bill do pass.

Committee Vote: yeas 7, nays 0.

STEVENSON, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Education, to which was referred Engrossed Senate Bill 290, 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 11, nays 0.

PORTER, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Human Affairs, to which was referred Engrossed Senate Bill 293, 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 3, line 19, delete "waste," and insert "**waste**".

Page 3, between lines 39 and 40, begin a new paragraph and insert:

"(c) A person who recklessly, knowingly, or intentionally places human:

- (1) blood;**
- (2) body fluid; or**
- (3) fecal waste;**

in a location with the intent that another person will ingest the blood, body fluid, or fecal waste, commits malicious mischief with food, a Class A misdemeanor.

(d) An offense described in subsection (c) is:

(1) a Class D felony if the person knew or recklessly failed to know that the blood, body fluid, or fecal waste was infected with:

- (A) hepatitis B;**
- (B) HIV; or**
- (C) tuberculosis;**

(2) a Class C felony if:

- (A) the person knew or recklessly failed to know that the blood, body fluid, or fecal waste was infected with hepatitis B and the offense results in the transmission of hepatitis B to the other person; or**
- (B) the person knew or recklessly failed to know that the blood, body fluid, or fecal waste was infected with tuberculosis and the offense results in the transmission of tuberculosis to the other person; and**

(3) a Class B felony if:

- (A) the person knew or recklessly failed to know that the blood, body fluid, or fecal waste was infected with HIV; and**
- (B) the offense results in the transmission of HIV to the other person."**

(Reference is to SB 293 printed February 1, 2002.)

and when so amended that said bill do pass.

Committee Vote: yeas 8, nays 0.

SUMMERS, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Public Health, to which was referred Engrossed Senate Bill 304, 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.

C. BROWN, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Local Government, to which was referred Engrossed Senate Bill 318, 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, line 15, before "Fourth" insert "**(4)**".

Page 5, line 39, after "associations" insert "**or community development corporations**".

Page 8, between lines 23 and 24, begin a new paragraph and insert:

"(b) The commission may sell or grant, at no cost, title to real property to a community development corporation (as defined in IC 4-4-28-13) for the purpose of providing low or moderate income housing or other development that will benefit or serve low or moderate income families if the following requirements are met:

(1) The community development corporation has as a major corporate purpose and function the provision of housing for low and moderate income families within the geographic area in which the parcel of real property is located.

(2) The community development corporation agrees to cause development that will serve or benefit low or moderate income families on the parcel of real property within a specified period, which may not exceed five (5) years from the date of the sale or grant.

(3) The community development corporation agrees that the community development corporation and each applicant, recipient, contractor, or subcontractor undertaking work in connection with the real property will:

(A) use lower income project area residents as trainees and as employees; and

(B) contract for work with business concerns located in the project area or owned in substantial part by persons residing in the project area;

to the greatest extent feasible, as determined under the standards specified in 24 CFR 135.

(4) The community development corporation agrees to rehabilitate or otherwise develop the property in a manner that is similar to and consistent with the use of the other properties in the area served by the community development corporation."

Page 8, line 24, delete "(b)" and insert "(c)".

Page 8, line 28, delete "(c)" and insert "(d)".

Page 8, line 32, delete "(b)" and insert "(c)".

Page 8, line 35, delete "(d)" and insert "(e)".

Page 8, line 39, after "association" insert "or community development corporation".

Page 8, line 40, delete "(e)" and insert "(f)".

Page 9, line 5, delete "(f)" and insert "(g)".

Page 9, line 8, after "zone" insert "or to a community development corporation".

Page 9, line 12, after "association" insert "or to the community development corporation".

Page 9, line 13, delete "(g)" and insert "(h)".

Page 9, line 13, delete "to an urban enterprise association".

Page 9, line 16, delete "(h)" and insert "(i)".

Page 9, line 25, after "corporations" insert ",".

Page 9, line 25, strike "or" and insert "community development corporations, or".

(Reference is to SB 318 as printed January 30, 2002.)

and when so amended that said bill do pass.

Committee Vote: yeas 9, nays 0.

STEVENSON, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred Engrossed Senate Bill 331, 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 25, nays 0.

BAUER, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred Engrossed Senate Bill 333, 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 committee report of the House Committee on Public Policy, Ethics and Veterans Affairs adopted February 19, 2002.

Page 1, line 5, after "racetracks" insert "and satellite facilities".

Page 1, delete lines 10 through 17.

Delete pages 2 through 16, begin a new paragraph and insert:

"SECTION 2. IC 4-31-2-1.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 1.5. "Adjusted gross receipts" means:

(1) the total of all cash and property (including checks received by a permit holder whether collected or not) received by a permit holder from pari-mutuel pull tab sales; minus

(2) the total of:

(A) all cash paid out as winnings for pari-mutuel pull tabs to patrons; and

(B) uncollectible pari-mutuel pull tab receivables, not to exceed the lesser of:

(i) a reasonable provision for uncollectible patron checks received from pari-mutuel pull tab sales; or

(ii) two percent (2%) of the total of all sums, including checks, whether collected or not, less the amount paid out as winnings for pari-mutuel pull tabs to patrons.

For purposes of this section, a counter or personal check that is invalid or unenforceable under this article is considered cash received by the permit holder from pari-mutuel pull tab sales.

SECTION 3. IC 4-31-2-11.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 11.5. "Pari-mutuel pull tab" means a game offered to the public in which a person who purchases a ticket or simulated ticket has the opportunity to share in a prize pool, multiple prize pools, or a shared prize pool consisting of the total amount wagered in the game minus deductions by the permit holder selling the pari-mutuel pull tab and other deductions either permitted or required by law.

SECTION 4. IC 4-31-3-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 9. The commission may:

(1) adopt rules under IC 4-22-2, including emergency rules under IC 4-22-2-37.1, to implement this article, including rules that prescribe:

(A) the forms of wagering that are permitted;

(B) the number of races;

(C) the procedures for wagering;

(D) the wagering information to be provided to the public;

(E) the hours during which a racetrack or satellite facility may sell pari-mutuel pull tabs under IC 4-31-7.5;

(F) fees for the issuance and renewal of:

(i) permits under IC 4-31-5;

(ii) satellite facility licenses under IC 4-31-5.5; and

(iii) licenses for racetrack personnel and racing participants under IC 4-31-6;

~~(F)~~ (G) investigative fees;

~~(G)~~ (H) fines and penalties; and

~~(H)~~ (I) any other regulation that the commission determines is in the public interest in the conduct of recognized meetings and wagering on horse racing in Indiana;

(2) appoint employees in the manner provided by IC 4-15-2 and fix their compensation, subject to the approval of the budget agency under IC 4-12-1-13;

(3) enter into contracts necessary to implement this article; and

(4) receive and consider recommendations from an advisory development committee established under IC 4-31-11.

SECTION 5. IC 4-31-4-1.3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 1.3. (a) This section does not apply to a person who satisfies all of the following:

(1) The person was issued a satellite facility license before January 2, 1996.

(2) The person operated a satellite facility before January 2, 1996.

(3) The person is currently operating the satellite facility under the license.

(b) A person may not operate under a satellite facility license unless both of the following apply:

(1) The county fiscal body of the county in which the satellite facility will be operated has adopted an ordinance under section 2.5 of this chapter.

(2) The person secures a license under IC 4-31-5.5.

(c) Notwithstanding any other provision of this article, subsection (b)(1) does not apply to a permit holder who:

(1) was issued a permit before January 1, 2002; and

(2) files an application to operate a satellite facility in a county having a consolidated city.

SECTION 6. IC 4-31-4-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 2. (a) A county fiscal body may adopt an ordinance permitting the filing of applications under IC 4-31-5 to conduct pari-mutuel wagering on horse races at racetracks in the county. However, before adopting the ordinance, the county fiscal body must:

(1) conduct a public hearing on the proposed ordinance; and

(2) publish notice of the public hearing in the manner prescribed by IC 5-3-1.

(b) The county fiscal body may:

(1) require in the ordinance adopted by the county fiscal body that before applications under IC 4-31-5 to conduct pari-mutuel wagering on horse races at racetracks in the county may be filed, the voters of the county must approve the conducting of horse racing meetings in the county under section 3 of this chapter; or

(2) amend an ordinance already adopted by the county fiscal body to require that before applications under IC 4-31-5 to conduct pari-mutuel wagering on horse races at racetracks in the county may be filed, the voters of the county must approve the conducting of horse racing meetings in the county under section 3 of this chapter.

An ordinance adopted under this section may not be amended to apply to a person who has already been issued a permit under IC 4-31-5 before amendment of the ordinance.

(c) An ordinance adopted under this section authorizing a person to conduct pari-mutuel wagering on horse races at racetracks in the county may not be amended with the intent to restrict a permit holder's ability to sell pari-mutuel pull tabs under IC 4-31-7.5. An ordinance adopted by the county fiscal body permitting the sale of pari-mutuel pull tabs is not a requirement for the lawful sale of pari-mutuel pull tabs under IC 4-31-7.5.

SECTION 7. IC 4-31-4-2.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 2.5. (a) A county fiscal body may adopt an ordinance permitting the filing of applications under IC 4-31-5.5 for operation of a satellite facility in the county. However, before adopting the ordinance, the county fiscal body must:

(1) conduct a public hearing on the proposed ordinance; and

(2) publish notice of the public hearing in the manner prescribed by IC 5-3-1.

(b) The county fiscal body may:

(1) require in the ordinance adopted by the county fiscal body that before applications under IC 4-31-5.5 to operate a satellite facility in the county may be filed, the voters of the county must approve the operation of a satellite facility in the county under section 3 of this chapter; or

(2) amend an ordinance already adopted in the county to require that before applications under IC 4-31-5.5 to operate a satellite facility in the county may be filed, the voters of the county must approve the operation of a satellite facility in the county under section 3 of this chapter.

An ordinance adopted under this section may not be amended to apply to a person who was issued a license under IC 4-31-5.5 before the ordinance was amended.

(c) Notwithstanding any other provision of this article, this section does not apply to a permit holder who:

(1) was issued a permit before January 1, 2002; and

(2) files an application to operate a satellite facility in a county having a consolidated city.

SECTION 8. IC 4-31-4-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 3. (a) This section does not apply to either of the following:

(1) A permit holder who satisfies all of the following:

(A) The permit holder was issued a permit before January 2, 1996.

(B) The permit holder conducted live racing before January 2, 1996.

(C) The permit holder is currently operating under the permit.

(2) A person who satisfies all of the following:

(A) The person was issued a satellite facility license before January 2, 1996.

(B) The person operated a satellite facility before January 2, 1996.

(C) The person is currently operating the satellite facility under the license.

(b) This section applies if either of the following apply:

(1) Both of the following are satisfied:

(A) An ordinance is adopted under section 2 or 2.5 of this chapter.

(B) The ordinance requires the voters of the county to approve either of the following:

(i) The conducting of horse racing meetings in the county.

(ii) The operation of a satellite facility in the county.

(2) A local public question is required to be held under section 2.7 of this chapter following the filing of a petition with the circuit court clerk:

(A) signed by at least the number of registered voters of the county required under IC 3-8-6-3 to place a candidate on the ballot; and

(B) requesting that the local public question set forth in subsection (d) be placed on the ballot.

(c) Notwithstanding any other provision of this article, the commission may not issue a recognized meeting permit under IC 4-31-5 to allow the conducting of or the assisting of the conducting of a horse racing meeting unless the voters of the county in which the property is located have approved conducting recognized meetings in the county.

(d) For a local public question required to be held under subsection (c), the county election board shall place the following question on the ballot in the county during the next general election:

"Shall horse racing meetings at which pari-mutuel wagering occurs be allowed in _____ County?"

(e) Notwithstanding any other provision of this article, the commission may not issue a satellite facility license under IC 4-31-5.5 to operate a satellite facility unless the voters of the county in which the satellite facility will be located approve the operation of the satellite facility in the county.

(f) For a local public question required to be held under subsection (e), the county election board shall place the following question on the ballot in the county during the next general election:

"Shall satellite facilities at which pari-mutuel wagering occurs be allowed in _____ County?"

(g) A public question under this section must be certified in accordance with IC 3-10-9-3 and shall be placed on the ballot in accordance with IC 3-10-9.

(h) The circuit court clerk 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.

(i) If a public question is placed on the ballot under subsection (d) or (f) in a county and the voters of the county do not vote in favor of the public question, a second public question under that subsection may not be held in the county for at least two (2) years. If the voters of the county vote to reject the public question a second time, a third or subsequent public question under that subsection may not be held in the county until the general election held during the tenth year following the year of the previous public question held under that subsection.

(j) Notwithstanding any other provision of this article, this section does not apply to a permit holder who:

(1) was issued a permit before January 1, 2002; and

(2) files an application to operate a satellite facility in a county having a consolidated city.

SECTION 9. IC 4-31-5-15 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 15. **Except as provided in IC 4-31-7.5**, any fees or penalties collected by the commission under ~~IC 4-31-3-9(E)~~ **IC 4-31-3-9(F)** through ~~IC 4-31-3-9(G)~~ **IC 4-31-3-9(H)** shall be paid into the state general fund.

SECTION 10. IC 4-31-5.5-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 3. (a) As used in this section, "live racing day" means a day on which at least eight (8) live horse races are conducted.

(b) The commission's authority to issue satellite facility licenses is subject to the following conditions:

(1) The commission may issue four (4) satellite facility licenses to each permit holder that:

(A) conducts at least one hundred twenty (120) live racing days per year at the racetrack designated in the permit holder's permit; and

(B) meets the other requirements of this chapter and the rules adopted under this chapter.

If a permit holder that operates satellite facilities does not meet the required minimum number of live racing days, the permit holder may not operate the permit holder's satellite facilities during the following year. However, the requirement for one hundred twenty (120) live racing days does not apply if the commission determines that the permit holder is prevented from conducting live horse racing as a result of a natural disaster or other event over which the permit holder has no control. In addition, if the initial racing meeting conducted by a permit holder commences at such a time as to make it impractical to conduct one hundred twenty (120) live racing days during the permit holder's first year of operations, the commission may authorize the permit holder to conduct simulcast wagering during the first year of operations with fewer than one hundred twenty (120) live racing days.

(2) Each proposed satellite facility must be covered by a separate application. The timing for filing an initial application for a satellite facility license shall be established by the rules of the commission.

(3) A satellite facility must:

(A) have full dining service available;

(B) have multiple screens to enable each patron to view simulcast races; and

(C) be designed to seat comfortably a minimum of four hundred (400) persons.

(4) In determining whether a proposed satellite facility should be approved, the commission shall consider the following:

(A) The purposes and provisions of this chapter.

(B) The public interest.

(C) The impact of the proposed satellite facility on live racing.

(D) The impact of the proposed satellite facility on the local community.

(E) The potential for job creation.

(F) The quality of the physical facilities and the services to be provided at the proposed satellite facility.

(G) Any other factors that the commission considers important or relevant to its decision.

(5) The commission may not issue a license for a satellite facility to be located in a county unless IC 4-31-4 has been satisfied.

(6) Not more than one (1) license may be issued to each permit holder to operate a satellite facility located in a county having a consolidated city. The maximum number of licenses that the commission may issue for satellite facilities to be located in a county having a consolidated city is two (2) licenses.

SECTION 11. IC 4-31-5.5-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 6. A permit holder or group of permit holders that is authorized to operate satellite facilities may accept and transmit pari-mutuel wagers on horse racing

at those facilities and may engage in all activities necessary to establish and operate appropriate satellite wagering facilities, including the following:

(1) Live simulcasts of horse racing conducted at the permit holder's racetrack or at other racetracks. However, a satellite facility operated by a permit holder may not simulcast races conducted in other states on any day that is not a live racing day (as defined in section 3 of this chapter) unless the satellite facility also simulcasts all available races conducted in Indiana on that day.

(2) Construction or leasing of satellite wagering facilities.

(3) Sale of food and beverages.

(4) Advertising and promotion.

(5) Sale of pari-mutuel pull tabs authorized under IC 4-31-7.5.

(6) All other related activities.

SECTION 12. IC 4-31-7-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 1. (a) A person holding a permit to conduct a horse racing meeting or a license to operate a satellite facility may provide a place in the racing meeting grounds or enclosure or the satellite facility at which the person may conduct and supervise the pari-mutuel system of wagering by patrons of legal age on the horse races conducted or simulcast by the person. The person may not permit or use:

(1) another place other than that provided and designated by the person; or

(2) another method or system of betting or wagering. **However, a person holding a permit to conduct a horse racing meeting may permit wagering on pari-mutuel pull tabs at the person's racetrack or satellite facility as permitted by IC 4-31-7.5.**

(b) Except as provided in section 7 of this chapter and IC 4-31-5.5, the pari-mutuel system of wagering may not be conducted on any races except the races at the racetrack, grounds, or enclosure for which the person holds a permit.

SECTION 13. IC 4-31-7-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 2. (a) A person less than ~~eighteen (18)~~ **twenty-one (21)** years of age may not wager at a horse racing meeting.

(b) A person less than ~~seventeen (17)~~ **eighteen (18)** years of age may not enter the grandstand, clubhouse, or similar areas of a racetrack at which wagering is permitted unless accompanied by a person who is at least twenty-one (21) years of age.

(c) A person less than eighteen (18) years of age may not enter a satellite facility.

(d) A person less than twenty-one (21) years of age may not enter the part of a satellite facility or racetrack in which pari-mutuel pull tabs are sold and redeemed.

SECTION 14. IC 4-31-7.5 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]:

Chapter 7.5. Pari-Mutuel Pull Tabs

Sec. 1. (a) This chapter applies only to the sale of pari-mutuel pull tabs by a person who holds a permit to conduct a pari-mutuel horse racing meeting issued under IC 4-31-5.

(b) This chapter does not apply to the sale of pull tabs by a qualified organization (as defined in IC 4-32-6-20) under IC 4-32.

Sec. 2. A pari-mutuel pull tab game must be conducted in the following manner:

(1) Each set of tickets must have a predetermined:

(A) total purchase price; and

(B) amount of prizes.

(2) Randomly ordered pari-mutuel pull tab tickets may be distributed from an approved location or from a distribution device to:

(A) the permit holder at the permit holder's racetrack or satellite facility, or both; or

(B) a terminal or device of the permit holder at the permit holder's racetrack or satellite facility, or both.

(3) A pari-mutuel pull tab ticket must be presented to a player in the form of a paper ticket or display on a terminal or device.

(4) Game results must be initially covered or otherwise concealed from view on the pari-mutuel pull tab ticket, terminal, or device so that the number, letter, symbol, or set of numbers, letters, or symbols cannot be seen until the concealing medium is removed.

(5) A winner is identified after the display of the game results when a player removes the concealing medium of the pari-mutuel pull tab ticket or display on a terminal or device.

(6) A winner shall receive the prize or prizes posted or displayed for the game from the permit holder.

Sec. 3. A person less than twenty-one (21) years of age may not purchase a pari-mutuel pull tab ticket.

Sec. 4. The sale price of a pari-mutuel pull tab ticket may not exceed ten dollars (\$10).

Sec. 5. (a) The sale, purchase, and redemption of pari-mutuel pull tab tickets are limited to the following locations:

(1) A live pari-mutuel horse racing facility operated by a permit holder under a recognized meeting permit first issued before January 1, 2002.

(2) A satellite facility that is located in a county having a consolidated city and that is operated by a permit holder described in subdivision (1).

(b) A permit holder may not install more than seven hundred fifty (750) pull tab terminals or devices on the premises of the permit holder's live pari-mutuel horse racing facility or satellite facility located in a county containing a consolidated city.

Sec. 6. The number and size of the prizes in a pari-mutuel pull tab game must be finite but may not be limited.

Sec. 7. A list of prizes for winning pari-mutuel pull tab tickets must be posted or displayed at a location where the tickets are sold.

Sec. 8. A permit holder may close a pari-mutuel pull tab game at any time.

Sec. 9. A terminal or device selling pari-mutuel pull tab tickets may be operated by a player without the assistance of the permit holder for the sale and redemption of pari-mutuel pull tab tickets.

Sec. 10. A terminal or device selling pari-mutuel pull tab tickets may not dispense coins or currency as prizes for winning tickets. Prizes awarded by a terminal or device must be in the form of credits for additional play or certificates redeemable for cash or prizes.

Sec. 11. (a) A tax is imposed on the adjusted gross receipts received from the sale of pari-mutuel pull tabs authorized under this article at the rate of thirty percent (30%) of the amount of the adjusted gross receipts.

(b) The permit holder shall remit the tax imposed by this section to the department before the close of the business day following the day the pari-mutuel pull tabs are sold.

(c) The department may require payment under this section to be made by electronic funds transfer (as defined in IC 4-8.1-2-7(f)).

(d) If the department requires taxes to be remitted under this chapter through electronic funds transfer, the department may allow the permit holder to file a monthly report to reconcile the amounts remitted to the department.

(e) The department may allow taxes remitted under this section to be reported on the same form used for taxes paid under IC 4-31-9.

Sec. 12. (a) The state pull tab wagering fund is established. Money in the fund does not revert to the state general fund at the end of the state fiscal year.

(b) The department shall deposit tax revenue collected under section 11 of this chapter in the state pull tab wagering fund.

(c) Each month, the treasurer of state shall distribute the pull tab wagering tax revenue deposited in the state pull tab wagering fund under this section as follows:

(1) Twenty-five percent (25%) of the pull tab wagering tax revenue remitted by a permit holder shall be paid:

(A) to the city in which the racetrack from which the tax revenue was collected is located, in the case of a racetrack that is located in an incorporated area;

(B) to the county in which the racetrack from which the tax revenue was collected is located, in the case of a racetrack that is not located in an incorporated area; or

(C) as follows, with respect to tax revenue that is collected from a satellite facility located in a county containing a consolidated city:

(i) Fifty percent (50%) to the consolidated city.

(ii) Twenty-five percent (25%) to the housing trust fund established under IC 36-7-15.1-35.5(e).

(iii) Fifteen percent (15%) to the county for the purposes of economic development.

(iv) Ten percent (10%) to the township in which the satellite facility is located.

(2) Seventy-five percent (75%) of the pull tab wagering tax revenue remitted by a permit holder shall be paid to the state general fund.

Sec. 13. (a) A tax is imposed on admissions to that part of a satellite facility or racetrack in which pari-mutuel pull tabs are sold, redeemed, or purchased under this chapter at a rate of two dollars (\$2) for each person admitted pull tab wagering area of the satellite facility or racetrack.

(b) A permit holder must pay the admissions taxes collected to the department. The licensed owner must make the tax payments each day for the preceding day's admissions.

(c) The payment of the tax under this section must be on a form prescribed by the department.

(d) The department may require payment under this section to be made by electronic funds transfer (as defined in IC 4-8.1-2-7(e)).

(e) If the department requires taxes to be paid under this section through electronic funds transfer, the department may allow the licensed owner to file a monthly report to reconcile the amount of taxes paid to the department.

(f) The department shall deposit tax revenue collected under this section in the state pull tab wagering fund.

Sec. 14. (a) Except as provided in subsection (b), the treasurer of state shall distribute the pull tab admissions tax revenue deposited in the state pull tab wagering fund under section 13 of this chapter as follows:

(1) One dollar (\$1) of the admissions tax collected for each person admitted to the pari-mutuel pull tab wagering area of the permit holder's racetrack shall be paid to the general fund of the county in which the racetrack is located.

(2) One dollar (\$1) of the admissions tax collected for each person admitted to the pari-mutuel pull tab wagering area of the permit holder's racetrack shall be paid to the school corporations located in the county to be used for capital projects. The admissions taxes distributed under this subdivision must be divided among the school corporations on a pro rata basis according to each school corporation's ADM (as defined in IC 21-3-1.6-1.1).

(b) With respect to the admissions taxes collected from a satellite facility located in a county containing a consolidated city, two dollars (\$2) of the admissions tax collected for each person admitted to the pari-mutuel pull tab wagering area of the satellite facility shall be paid to the school corporations located in the county to be used for capital projects. The admissions taxes distributed under this subsection must be divided among the school corporations on a pro rata basis according to each school corporation's ADM (as defined in IC 21-3-1.6-1.1).

Sec. 15. (a) The Indiana gaming commission shall adopt rules under IC 4-22-2, including emergency rules under IC 4-22-2-37.1, to implement this chapter, including rules that prescribe:

(1) an approval process for pari-mutuel pull tab games that requires periodic testing of the games and equipment by an independent entity under the oversight of the gaming

commission to ensure the integrity of the games to the public;

- (2) a system of internal audit controls;
- (3) a method of payment for pari-mutuel pull tab prizes that allows a player to transfer credits from one (1) terminal or device to another;
- (4) a method of payment for pari-mutuel pull tab prizes that allows a player to redeem a winning ticket for additional play tickets or credit to permit purchase of additional play tickets; and
- (5) any other procedure or requirement necessary for the efficient and economical operation of the pari-mutuel pull tab games and the convenience of the public.

(b) The Indiana gaming commission may enter into a contract with the Indiana horse racing commission for the provision of services necessary to administer pari-mutuel pull tab games.

Sec. 16. The Indiana gaming commission may assess an administrative fee to a permit holder offering pari-mutuel pull tab games in an amount that allows the gaming commission to recover all the gaming commission's costs of administering the pari-mutuel pull tab games.

Sec. 17. The Indiana gaming commission may not permit the sale of pari-mutuel pull tab tickets in a county where a riverboat is docked.

Sec. 18. All shipments of gambling devices, including pari-mutuel pull tab machines, to permit holders in Indiana, the registering, recording, and labeling of which have been completed by the manufacturer or dealer in accordance with 15 U.S.C. 1171 through 15 U.S.C. 1178, are legal shipments of gambling devices into Indiana.

Sec. 19. Under 15 U.S.C. 1172, approved January 2, 1951, the state of Indiana, acting by and through elected and qualified members of the legislature, declares and proclaims that the state is exempt from 15 U.S.C. 1172.

Sec. 20. The sale, purchase, and redemption of pari-mutuel pull tab tickets under this chapter shall be regulated and administered by the Indiana gaming commission.

SECTION 15. IC 4-31-9-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 1. A person that holds a permit to conduct a horse racing meeting or a license to operate a satellite facility shall withhold:

- (1) eighteen percent (18%) of the total of money wagered on each day at the racetrack or satellite facility (including money wagered on exotic wagering pools, **but excluding money wagered on pari-mutuel pull tabs under IC 4-31-7.5**); plus
- (2) an additional three and one-half percent (3.5%) of the total of all money wagered on exotic wagering pools on each day at the racetrack or satellite facility.

SECTION 16. IC 4-31-14 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]:

Chapter 14. Minority and Women's Business Participation

Sec. 1. This chapter applies to a person holding a permit to operate a racetrack under IC 4-31-5 at which pari-mutuel pull tab tickets are sold or a license to operate a satellite facility under IC 4-31-5.5 at which pari-mutuel pull tab tickets are sold.

Sec. 2. The general assembly declares that it is essential for minority and women's business enterprises to have the opportunity for full participation in the pari-mutuel pull tab game industry if minority and women's business enterprises are to obtain social and economic parity and if the economies of the cities, towns, and counties in which pari-mutuel pull tab games are operated are to be stimulated as contemplated by this article.

Sec. 3. As used in this chapter, "minority" means a person who is one (1) of the following:

- (1) Black.
- (2) Hispanic.
- (3) Asian American.
- (4) Native American or Alaskan native.

Sec. 4. As used in this chapter, "minority business enterprise" means a business that is one (1) of the following:

(1) A sole proprietorship owned and controlled by a minority.

(2) A partnership or joint venture owned and controlled by minorities:

(A) in which at least fifty-one percent (51%) of the ownership interest is held by at least one (1) minority; and

(B) the management and daily business operations of which are controlled by at least one (1) of the minorities who own the business.

(3) A corporation or other entity:

(A) whose management and daily business operations are controlled by at least one (1) of the minorities who own the business; and

(B) that is at least fifty-one percent (51%) owned by at least one (1) minority or, if stock is issued, at least fifty-one percent (51%) of the stock is owned by at least one (1) minority.

Sec. 5. As used in this chapter, "women's business enterprise" means a business that is one (1) of the following:

(1) A sole proprietorship owned and controlled by a woman.

(2) A partnership or joint venture owned and controlled by women in which:

(A) at least fifty-one percent (51%) of the ownership is held by women; and

(B) the management and daily business operations are controlled by at least one (1) of the women who own the business.

(3) A corporation or other entity:

(A) whose management and daily business operations are controlled by at least one (1) of the women who own the business; and

(B) that is at least fifty-one percent (51%) owned by women or, if stock is issued, at least fifty-one percent (51%) of the stock is owned by at least one (1) of the women.

Sec. 6. (a) As used in this section, "goods and services" does not include the following:

(1) Utilities and taxes.

(2) Financing costs, mortgages, loans, or other debt.

(3) Medical insurance.

(4) Fees and payments to a parent or an affiliated company of the permit holder or satellite facility operator, other than fees and payments for goods and services supplied by nonaffiliated persons through an affiliated company for the use or benefit of the permit holder or satellite facility operator.

(5) Rents paid for real property or payment constituting the price of an interest in real property as a result of a real estate transaction.

(b) Notwithstanding any law or rule to the contrary, a permit holder operating a horse racetrack or a satellite facility shall establish goals of expending at least the following:

(1) The greater of:

(A) ten percent (10%) of the dollar value of the permit holder or satellite facility operator's contracts for goods and services with minority business enterprises; or

(B) the percentage of the dollar value of the permit holder or satellite facility operator's contracts for goods and services with minority business enterprises that represents the percentage of minorities who reside in the county in which the racetrack or satellite facility is located.

(2) Five percent (5%) of the dollar value of the permit holder or satellite facility operator's contracts for goods and services with women's business enterprises.

A permit holder or satellite facility operator shall submit quarterly reports to the commission that outline the total dollar value of contracts awarded for goods and services and the percentage awarded to minority and women's business enterprises.

(c) A permit holder or satellite facility operator shall make a good faith effort to meet the requirements of this section and shall quarterly, unless otherwise directed by the commission, demonstrate to the commission at a public meeting that an effort was made to meet the requirements.

(d) A permit holder or satellite facility operator may fulfill not more than seventy percent (70%) of an obligation under this chapter by requiring a vendor to set aside a part of a contract for minority or women's business enterprises. Upon request, the permit holder or satellite facility operator shall provide the commission with proof of the amount set aside.

Sec. 7. If the commission determines that the provisions of this chapter relating to expenditures and assignments to minority and women's business enterprises have not been met by a permit holder or satellite facility operator, the commission may suspend, limit, or revoke the person's satellite facility license or recognized meeting permit, impose a civil penalty, or impose appropriate conditions on the license or permit to ensure that the goals for expenditures and assignments to minority and women's business enterprises are met. However, if a determination is made that a permit holder or satellite facility operator has failed to demonstrate compliance with this chapter, the person has ninety (90) days from the date of the determination of noncompliance to comply.

Sec. 8. The commission shall deposit civil penalties imposed under section 7 of this chapter in the women and minority business assistance fund established by section 12 of this chapter.

Sec. 9. The commission shall establish and administer a unified certification procedure for minority and women's business enterprises that do business with permit holders and satellite facility operators on contracts for goods and services or contracts for business.

Sec. 10. The commission shall supply permit holders and satellite facility operators with a list of the minority and women's business enterprises the commission has certified under section 9 of this chapter. The commission shall review the list at least annually to determine the minority and women's business enterprises that should continue to be certified. The commission shall establish a procedure for challenging the designation of a certified minority or women's business enterprise. The procedure must include proper notice and a hearing for all parties concerned.

Sec. 11. The commission shall adopt other rules necessary to interpret and implement this chapter.

Sec. 12. (a) The women and minority business assistance fund is established to assist women and minority business enterprises. The fund shall be administered by the commission. The fund consists of penalties imposed by the commission under section 7 of this chapter.

(b) The expenses of administering the fund shall be paid from money in the fund.

(c) The treasurer of state shall invest money in the fund not currently needed to meet the obligations of the fund in the same manner as other public money may be invested. Interest that accrues from these investments shall be deposited in the fund.

(d) Money in the fund at the end of a state fiscal year does not revert to the state general fund.

SECTION 17. IC 4-33-1-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 1. This article applies only to the following:

- (1) Counties contiguous to Lake Michigan.
- (2) Counties contiguous to the Ohio River.
- (3) Counties contiguous to Patoka Lake. A historic preservation district that:

(A) is established under IC 36-7-11;

(B) is located in a county having a population of more than nineteen thousand three hundred (19,300) but less than twenty thousand (20,000); and

(C) consists solely of the real property owned by the historic resort hotels located in:

(i) a town having a population of more than one thousand five hundred (1,500) but less than two thousand two hundred (2,200); and

(ii) a town having a population of less than one thousand five hundred (1,500).

SECTION 18. IC 4-33-2-5.6 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 5.6. "Cruise" means to depart from the dock while gambling is conducted.

SECTION 19. IC 4-33-2-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 7. "Dock" means the location where an excursion a riverboat moors for the purpose of embarking passengers for and disembarking passengers from a gambling excursion: the riverboat.

SECTION 20. IC 4-33-2-11.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 11.5. "Historic resort hotel" means a structure originally built as a hotel that contained at least three hundred (300) sleeping rooms on or before January 1, 1930.

SECTION 21. IC 4-33-2-13.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 13.5. "Licensed operating agent" means a person licensed under IC 4-33-6.5 to operate a riverboat in a historic preservation district described in IC 4-33-1-1(3) on behalf of the district's historic preservation commission.

SECTION 22. IC 4-33-2-14.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 14.5. "Operating agent's license" means a license issued under IC 4-33-6.5 that allows a person to operate a riverboat in a historic preservation district described in IC 4-33-1-1(3) on behalf of the district's historic preservation commission.

SECTION 23. IC 4-33-2-15.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 15.5. "Patron" means an individual who:

- (1) boards a riverboat; and
- (2) is not entitled to receive a tax free pass.

SECTION 24. IC 4-33-2-15.7 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 15.7. "Permanently moored vessel" means a floating vessel that is:

- (1) incapable of self-propulsion; and
- (2) out of navigation.

The term includes a barge.

SECTION 25. IC 4-33-2-16 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 16. "Person" means an individual, a sole proprietorship, a partnership, an association, a fiduciary, a corporation, a limited liability company, a historic preservation district, or any other business entity.

SECTION 26. IC 4-33-2-16.3 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002] Sec. 16.3. "Pari-mutuel pull tab" has the meaning set forth in IC 4-31-2-11.5.

SECTION 27. IC 4-33-2-16.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 16.5. "Reporting period" means a twenty-four (24) hour increment used by the department under this article, commencing at 6 a.m. on one (1) day and concluding at 5:59 a.m. the following day.

SECTION 28. IC 4-33-2-17 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 17. "Riverboat" means either of the following on which lawful gambling is authorized under this article:

- (1) A self-propelled excursion boat located in a county or historic preservation district described in IC 4-33-1-1 on which lawful gambling is authorized and licensed under this article: that complies with IC 4-33-6-6.
- (2) A permanently moored vessel authorized under IC 4-33-6-10(b) that complies with IC 4-33-17.

SECTION 29. IC 4-33-4-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 2. The commission shall adopt rules under IC 4-22-2 for the following purposes:

- (1) Administering this article.
- (2) Establishing the conditions under which riverboat gambling in Indiana may be conducted.
- (3) Providing for the prevention of practices detrimental to the public interest and providing for the best interests of riverboat gambling.
- ~~(4) With respect to riverboats that operate on Patoka Lake, ensuring:~~
 - ~~(A) the prevention of practices detrimental to the natural environment and scenic beauty of Patoka Lake; and~~
 - ~~(B) compliance by licensees and riverboat patrons with the requirements of IC 14-26-2-5 and IC 14-28-1.~~
- ~~(5) (4) Establishing rules concerning inspection of riverboats and the review of the permits or licenses necessary to operate a riverboat.~~
- ~~(6) (5) Imposing penalties for noncriminal violations of this article.~~
- (6) Establishing ethical standards regulating the conduct of members of a historic preservation commission established under IC 36-7-11-4.5 with regard to the selection and licensure of an operating agent to operate a riverboat in a historic preservation district described in IC 4-33-1-1(3).**
- (7) Establishing the conditions under which the sale, purchase, and redemption of pari-mutuel pull tabs may be conducted under IC 4-31-7.5.**

SECTION 30. IC 4-33-4-3, AS AMENDED BY P.L.14-2000, SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 3. (a) The commission shall do the following:

- (1) Adopt rules that the commission determines necessary to protect or enhance the following:
 - (A) The credibility and integrity of gambling operations authorized by this article.
 - (B) The regulatory process provided in this article.
 - ~~(C) The natural environment and scenic beauty of Patoka Lake.~~
- (2) Conduct all hearings concerning civil violations of this article.
- (3) Provide for the establishment and collection of license fees and taxes imposed under this article.
- (4) Deposit the license fees and taxes in the state gaming fund established by IC 4-33-13.
- (5) Levy and collect penalties for noncriminal violations of this article.
- (6) Deposit the penalties in the state gaming fund established by IC 4-33-13.
- (7) Be present through the commission's inspectors and agents during the time gambling operations are conducted on a riverboat to do the following:
 - (A) Certify the revenue received by a riverboat.
 - (B) Receive complaints from the public.
 - (C) Conduct other investigations into the conduct of the gambling games and the maintenance of the equipment that the commission considers necessary and proper.
 - ~~(D) With respect to riverboats that operate on Patoka Lake, ensure compliance with the following:~~
 - ~~(i) IC 14-26-2-6.~~
 - ~~(ii) IC 14-26-2-7.~~
 - ~~(iii) IC 14-28-1.~~
- (8) Adopt emergency rules under IC 4-22-2-37.1 if the commission determines that:
 - (A) the need for a rule is so immediate and substantial that rulemaking procedures under IC 4-22-2-13 through IC 4-22-2-36 are inadequate to address the need; and
 - (B) an emergency rule is likely to address the need.
- (b) The commission shall begin rulemaking procedures under IC 4-22-2-13 through IC 4-22-2-36 to adopt an emergency rule adopted under subsection (a)(8) not later than thirty (30) days after the adoption of the emergency rule under subsection (a)(8).

SECTION 31. IC 4-33-4-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 10. **If a riverboat cruises**, the commission shall authorize the route of **a the** riverboat and the stops, if any, that the riverboat may make **while on a cruise**.

SECTION 32. IC 4-33-4-13 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 13. (a) **This section does not apply to a riverboat located in a county having a population of more than nineteen thousand three hundred (19,300) but less than twenty thousand (20,000).**

(b) After consulting with the United States Army Corps of Engineers, the commission may do the following:

- (1) Determine the waterways that are navigable waterways for purposes of this article.
- (2) Determine the navigable waterways that are suitable for the operation of riverboats under this article.
- ~~(b) (c)~~ (c) In determining the navigable waterways on which riverboats may operate, the commission shall do the following:
 - (1) Obtain any required approvals from the United States Army Corps of Engineers for the operation of riverboats on those waterways.
 - (2) Consider the economic benefit that riverboat gambling provides to Indiana.
 - (3) Seek to ensure that all regions of Indiana share in the economic benefits of riverboat gambling.
 - ~~(4) Considering IC 14-26-2-6, IC 14-26-2-7, and IC 14-28-1, conduct a feasibility study concerning:~~
 - ~~(A) the environmental impact of the navigation and docking of riverboats upon Patoka Lake; and~~
 - ~~(B) the impact of the navigation and docking of riverboats upon the scenic beauty of Patoka Lake.~~

SECTION 33. IC 4-33-4-15 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 15. The commission shall annually do the following:

- (1) Review the patterns of wagering and wins and losses by persons on riverboat gambling operations under this article.
- (2) Make recommendations to the governor and the general assembly concerning whether limits on wagering losses should be imposed.
- ~~(3) Examine the impact on the natural environment and scenic beauty of Patoka Lake made by the navigation and docking of riverboats.~~

SECTION 34. IC 4-33-4-21.2, AS AMENDED BY P.L.215-2001, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 21.2. (a) The Indiana gaming commission shall require a licensed owner to conspicuously display the number of the toll free telephone line described in IC 4-33-12-6 in the following locations:

- (1) On each admission ticket to a riverboat ~~gambling excursion~~ **if tickets are issued.**
 - (2) On a poster or placard that is on display in a public area of each riverboat where gambling games are conducted.
- (b) The toll free telephone line described in IC 4-33-12-6 must be:
- (1) maintained by the division of mental health and addiction under IC 12-23-1-6; and
 - (2) funded by the addiction services fund established by IC 12-23-2-2.
- (c) The commission may adopt rules under IC 4-22-2 necessary to carry out this section.

SECTION 35. IC 4-33-6-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 1. (a) The commission may issue to a person a license to own ~~one~~ ~~(1)~~ **a** riverboat subject to the numerical and geographical limitation of owner's licenses under this section, **section 3.5 of this chapter**, and IC 4-33-4-17. However, not more than eleven (11) owner's licenses may be in effect at any time. Except as provided in subsection (b), those eleven (11) licenses are as follows:

- (1) Two (2) licenses for a riverboat that operates from the largest city located in the counties described under IC 4-33-1-1(1).
- (2) One (1) license for a riverboat that operates from the second largest city located in the counties described under IC 4-33-1-1(1).

(3) One (1) license for a riverboat that operates from the third largest city located in the counties described under IC 4-33-1-1(1).

(4) One (1) license for a city located in the counties described under IC 4-33-1-1(1). This license may not be issued to a city described in subdivisions (1) through (3).

(5) A total of five (5) licenses for riverboats that operate upon the Ohio River from counties described under IC 4-33-1-1(2). The commission may not issue a license to an applicant if the issuance of the license would result in more than one (1) riverboat operating from a county described in IC 4-33-1-1(2).

(6) One (1) license for a riverboat that operates upon Patoka Lake from a county in a historic preservation district described under IC 4-33-1-1(3).

(b) If a city described in subsection (a)(2) or (a)(3) conducts two (2) elections under section 20 of this chapter, and the voters of the city do not vote in favor of permitting riverboat gambling at either of those elections, the license assigned to that city under subsection (a)(2) or (a)(3) may be issued to any city that:

(1) does not already have a riverboat operating from the city; and

(2) is located in a county described in IC 4-33-1-1(1).

SECTION 36. IC 4-33-6-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 2. (a) A person applying for an owner's license under this chapter must pay a nonrefundable application fee to the commission. The commission shall determine the amount of the application fee. **However, the historic preservation district described in IC 4-33-1-1(3) or a member of the district's historic preservation commission is not required to pay the fee charged under this subsection.**

(b) An applicant must submit the following on forms provided by the commission:

(1) If the applicant is an individual, two (2) sets of the individual's fingerprints.

(2) If the applicant is not an individual, two (2) sets of fingerprints for each officer and director of the applicant.

(c) The commission shall review the applications for an owner's license under this chapter and shall inform each applicant of the commission's decision concerning the issuance of the owner's license.

(d) The costs of investigating an applicant for an owner's license under this chapter shall be paid from the application fee paid by the applicant.

(e) An applicant for an owner's license under this chapter must pay all additional costs that are:

(1) associated with the investigation of the applicant; and

(2) greater than the amount of the application fee paid by the applicant.

(f) The commission shall recoup all of the costs associated with investigating or reinvestigating an applicant that is a member of a historic preservation commission described in subsection (a) by imposing a special investigation fee upon the historic preservation commission's licensed operating agent.

SECTION 37. IC 4-33-6-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 3. The commission may not issue an owner's license under this chapter to a person if:

(1) the person has been convicted of a felony under Indiana law, the laws of any other state, or laws of the United States;

(2) the person has knowingly or intentionally submitted an application for a license under this chapter that contains false information;

(3) the person is a member of the commission;

(4) the person is an officer, a director, or a managerial employee of a person described in subdivision (1) or (2);

(5) the person employs an individual who:

(A) is described in subdivision (1), (2), or (3); and

(B) participates in the management or operation of gambling operations authorized under this article;

(6) the person owns an ownership interest of more than ~~ten percent (10%)~~ in more than one (1) other person holding an owner's license issued under the total amount of ownership interest permitted under section 3.5 of this chapter; or

(7) a license issued to the person:

(A) under this article; or

(B) to own or operate gambling facilities in another jurisdiction;

has been revoked.

SECTION 38. IC 4-33-6-3.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 3.5. **(a) For purposes of this section, a person is considered to have an ownership interest in a riverboat owner's license if the interest is owned directly or indirectly by the person or by an entity controlled by the person.**

(b) A person may have up to a one hundred percent (100%) ownership interest in not more than two (2) riverboat licenses issued under this chapter.

(c) A person may not have an ownership interest in more than two (2) riverboat owner's licenses issued under this chapter.

(d) This section may not be construed to increase the maximum number of licenses permitted under section 1 of this chapter or the number of riverboats that may be owned and operated under a license under section 10 of this chapter.

SECTION 39. IC 4-33-6-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 5. **(a) This section does not apply to a riverboat located in a historic preservation district described in IC 4-33-1-1(3).**

(b) In an application for an owner's license, the applicant must state the dock at which the riverboat is based and the navigable waterway on which the riverboat will operate.

SECTION 40. IC 4-33-6-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 6. (a) A riverboat that operates in a county described in IC 4-33-1-1(1) or IC 4-33-1-1(2) must:

(1) have a valid certificate of inspection from the United States Coast Guard for the carrying of at least five hundred (500) passengers; and

(2) be at least one hundred fifty (150) feet in length.

(b) A riverboat that operates on Patoka Lake in a county described under IC 4-33-1-1(3) must:

(1) have the capacity to carry at least five hundred (500) passengers;

(2) be at least one hundred fifty (150) feet in length; and

(3) meet safety standards required by the commission.

(c) This subsection applies only to a riverboat that operates on the Ohio River. A riverboat must replicate, as nearly as possible, historic Indiana steamboat passenger vessels of the nineteenth century. However, steam propulsion or overnight lodging facilities are not required under this subsection.

SECTION 41. IC 4-33-6-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 8. If the commission determines that a person is eligible under this chapter for an owner's license, the commission may issue an owner's license to the person if:

(1) the person pays an initial license fee of twenty-five thousand dollars (\$25,000); and

(2) the person posts a bond as required in section 9 of this chapter.

However, the historic preservation district described in IC 4-33-1-1(3) or a member of the district's historic preservation commission is not required to pay the fee charged under this section.

SECTION 42. IC 4-33-6-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 9. (a) **Except as provided in subsection (1),** a licensed owner must post a bond with the commission at least sixty (60) days before the commencement of ~~regular gambling on the riverboat excursions:~~

(b) The bond shall be furnished in:

(1) cash or negotiable securities;

(2) a surety bond;

(A) with a surety company approved by the commission; and

(B) guaranteed by a satisfactory guarantor; or

(3) an irrevocable letter of credit issued by a banking institution of Indiana acceptable to the commission.

(c) If a bond is furnished in cash or negotiable securities, the principal shall be placed without restriction at the disposal of the commission, but income inures to the benefit of the licensee.

(d) The bond:

- (1) is subject to the approval of the commission;
- (2) must be in an amount that the commission determines will adequately reflect the amount that a local community will expend for infrastructure and other facilities associated with a riverboat operation; and
- (3) must be payable to the commission as obligee for use in payment of the licensed owner's financial obligations to the local community, the state, and other aggrieved parties, as determined by the rules of the commission.

(e) If after a hearing (after at least five (5) days written notice) the commission determines that the amount of a licensed owner's bond is insufficient, the licensed owner shall upon written demand of the commission file a new bond.

(f) The commission may require a licensed owner to file a new bond with a satisfactory surety in the same form and amount if:

- (1) liability on the old bond is discharged or reduced by judgment rendered, payment made, or otherwise; or
- (2) in the opinion of the commission any surety on the old bond becomes unsatisfactory.

(g) If a new bond obtained under subsection (e) or (f) is unsatisfactory, the commission shall cancel the owner's license. If the new bond is satisfactorily furnished, the commission shall release in writing the surety on the old bond from any liability accruing after the effective date of the new bond.

(h) A bond is released on the condition that the licensed owner remains at the site for which the owner's license is granted for the lesser of:

- (1) five (5) years; or
- (2) the date the commission grants a license to another licensed owner to operate from the site for which the bond was posted.

(i) A licensed owner who does not meet the requirements of subsection (h) forfeits a bond filed under this section. The proceeds of a bond that is in default under this subsection are paid to the commission for the benefit of the local unit from which the riverboat operated.

(j) The total and aggregate liability of the surety on a bond is limited to the amount specified in the bond and the continuous nature of the bond may in no event be construed as allowing the liability of the surety under a bond to accumulate for each successive approval period during which the bond is in force.

(k) A bond filed under this section is released sixty (60) days after:

- (1) the time has run under subsection (h); and
- (2) a written request is submitted by the licensed owner.

(l) The historic preservation district described in IC 4-33-1-1(3) or a member of the district's historic preservation commission is not required to post the bond required under this section.

SECTION 43. IC 4-33-6-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 10. (a) An owner's license issued under this chapter permits the holder to own and operate one (1) riverboat and equipment for each license.

(b) An owner's license issued under this chapter permits the holder to:

- (1) conduct gambling games authorized under this article while the riverboat is cruising or docked;**
- (2) allow the continuous ingress and egress of passengers for purposes of gambling; and**
- (3) conduct gambling games on a permanently moored vessel if a federally recognized Native American Indian tribe has applied to the United States Bureau of Indian Affairs to have land in a contiguous state taken into trust for a land based casino that is within thirty (30) miles of the riverboat.**

(c) An owner's license issued under this chapter must specify the place where the riverboat must operate and dock. However, the commission may permit the riverboat to dock at a temporary dock in the applicable city for a specific period of time not to exceed one (1) year after the owner's license is issued.

~~(c)~~ **(d)** An owner's initial license expires five (5) years after the effective date of the license.

SECTION 44. IC 4-33-6-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 11. The commission may revoke an owner's license if:

- (1) the licensee begins regular ~~riverboat excursions~~ **operations** more than twelve (12) months after receiving the commission's approval of the application for the license; and
- (2) the commission determines that the revocation of the license is in the best interests of Indiana.

SECTION 45. IC 4-33-6-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 12. (a) Unless the owner's license is terminated, expires, or is revoked, the owner's license may be renewed annually upon:

- (1) the payment of a five thousand dollar (\$5,000) annual renewal fee; and
- (2) a determination by the commission that the licensee satisfies the conditions of this article.

However, the historic preservation district described in IC 4-33-1-1(3) or a member of the district's historic preservation commission is not required to pay the fee charged under this section.

(b) A licensed owner shall undergo a complete investigation every three (3) years to determine that the licensed owner remains in compliance with this article.

(c) Notwithstanding subsection (b), the commission may investigate a licensed owner at any time the commission determines it is necessary to ensure that the licensee remains in compliance with this article.

(d) The licensed owner shall bear the cost of an investigation or reinvestigation of the licensed owner and any investigation resulting from a potential transfer of ownership.

(e) The commission shall recoup all of the costs associated with investigating or reinvestigating a member of a historic preservation commission described in subsection (a) by imposing a special investigation fee upon the historic preservation commission's licensed operating agent.

SECTION 46. IC 4-33-6-19 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 19. (a) This section applies to:

- (1) a county contiguous to the Ohio River;
- ~~(2) a county contiguous to Patoka Lake; and~~
- ~~(3)~~ **(2)** a county contiguous to Lake Michigan that has a population of less than four hundred thousand (400,000).

(b) Notwithstanding any other provision of this article, the commission may not issue a license under this article to allow a riverboat to operate in the county unless the voters of the county have approved the conducting of gambling games on riverboats in the county.

(c) If the docking of a riverboat in the county is approved by an ordinance adopted under section 18 of this chapter, or if at least the number of the registered voters of the county required under IC 3-8-6-3 for a petition to place a candidate on the ballot sign a petition submitted to the circuit court clerk requesting that a local public question concerning riverboat gaming be placed on the ballot, the county election board shall place the following question on the ballot in the county during the next general election:

"Shall licenses be issued to permit riverboat gambling in _____ County?"

(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 riverboat gambling under this article, 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 riverboat gambling 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 47. IC 4-33-6-19.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 19.5. (a) This section applies to a county having a population of more than nineteen thousand three hundred (19,300) but less than twenty thousand (20,000).

(b) The commission may issue only one (1) license under this article to allow a riverboat to operate in the county within a historic preservation district established under IC 36-7-11.

(c) The commission may not issue a license under this article to allow a riverboat to operate in the county unless the voters of:

- (1) a town having a population of more than one thousand five hundred (1,500) but less than two thousand two hundred (2,200) located in the county; and
- (2) a town having a population of less than one thousand five hundred (1,500) located in the county;

have approved gambling on riverboats in the county.

(d) If at least the number of registered voters of the town required under IC 3-8-6-3 for a petition to place a candidate on the ballot sign a petition submitted to the clerk of the circuit court requesting that a local public question concerning riverboat gambling be placed on the ballot, the county election board shall place the following question on the ballot in the town described in subsection (c) during the next primary or general election or a special election held under this section:

"Shall a license be issued to allow riverboat gambling in the town of _____?"

(e) A public question under this section shall be placed on the ballot in accordance with IC 3-10-9.

(f) If a public question is placed on the ballot under this section and the voters of the town do not vote in favor of allowing riverboat gambling under IC 4-33, another public question regarding riverboat gambling may not be held in the town for at least two (2) years.

(g) In a special election held under this section:

- (1) IC 3 applies, except as otherwise provided in this section; and
- (2) at least as many precinct polling places as were used in the towns described in subsection (c) during the most recent municipal election must be used for the special election.

(h) The clerk of the circuit court of a county holding an election under this section shall certify the results determined under IC 3-12-4-9 to the commission and the department of state revenue.

SECTION 48. IC 4-33-6-21 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 21. (a) As used in this section, "electronic gaming device" has the meaning set forth in 68 IAC 1-1-29.

(b) As used in this section, "live gaming device" has the meaning set forth in 68 IAC 1-1-59.

(c) Except as provided in subsection (d) and IC 4-33-9-17, a riverboat licensed under this article may not contain more than three thousand two hundred (3,200) electronic gaming devices.

(d) The maximum permissible number of electronic gaming devices imposed by subsection (c) does not apply to a riverboat that contains a number of electronic gaming devices that exceeds two thousand eight hundred eighty (2,880) on July 1, 2002. However, a riverboat described in this subsection may not add more than three hundred twenty (320) electronic gaming devices to the number of electronic gaming devices contained on the riverboat on July 1, 2002.

(e) This section does not limit the number of live gaming devices that a riverboat may contain.

SECTION 49. IC 4-33-6.5 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]:

Chapter 6.5. Riverboat Operating Agent's License

Sec. 1. This chapter applies only to a riverboat operated under a license described in IC 4-33-6-1(a)(6).

Sec. 2. (a) A person applying for an operating agent's license under this chapter must pay a nonrefundable application fee to the commission. The commission shall determine the amount of the application fee.

(b) An applicant must submit the following on forms provided by the commission:

(1) If the applicant is an individual, two (2) sets of the individual's fingerprints.

(2) If the applicant is not an individual, two (2) sets of fingerprints for each officer and director of the applicant.

(c) The commission shall review the applications for a license under this chapter and shall inform each applicant of the commission's decision concerning the issuance of the license.

(d) The costs of investigating an applicant for a license under this chapter shall be paid from the application fee paid by the applicant.

(e) An applicant for a license under this chapter must pay all additional costs that are:

- (1) associated with the investigation of the applicant; and
- (2) greater than the amount of the application fee paid by the applicant.

Sec. 3. The commission may not issue an operating agent's license under this chapter to a person if:

- (1) the person has been convicted of a felony under Indiana law, the laws of any other state, or laws of the United States;
- (2) the person has knowingly or intentionally submitted an application for a license under this chapter that contains false information;
- (3) the person is a member of the commission;
- (4) the person is an officer, a director, or a managerial employee of a person described in subdivision (1) or (2);
- (5) the person employs an individual who:
 - (A) is described in subdivision (1), (2), or (3); and
 - (B) participates in the management or operation of gambling operations authorized under this article;
- (6) the person owns an ownership interest of more than the total amount of ownership interests permitted under IC 4-33-6-3.5; or
- (7) a license issued to the person:
 - (A) under this article; or
 - (B) to own or operate gambling facilities in another jurisdiction;
 has been revoked.

Sec. 4. In determining whether to grant an operating agent's license to an applicant, the commission shall consider the following:

- (1) The character, reputation, experience, and financial integrity of the following:
 - (A) The applicant.
 - (B) A person that:
 - (i) directly or indirectly controls the applicant; or
 - (ii) is directly or indirectly controlled by the applicant or by a person that directly or indirectly controls the applicant.
- (2) The facilities or proposed facilities for the conduct of riverboat gambling in a historic preservation district described in IC 4-33-1-1(3).
- (3) The highest prospective total revenue to be collected by the state from the conduct of riverboat gambling.
- (4) The good faith affirmative action plan of each applicant to recruit, train, and upgrade minorities in all employment classifications.
- (5) The financial ability of the applicant to purchase and maintain adequate liability and casualty insurance.
- (6) If the applicant has adequate capitalization to operate a riverboat for the duration of the license.
- (7) The extent to which the applicant exceeds or meets other standards adopted by the commission.

Sec. 5. If the commission determines that a person is eligible under this chapter for an operating agent's license, the commission may issue an operating agent's license to the person if:

- (1) the person pays an initial license fee of twenty-five thousand dollars (\$25,000); and
- (2) the person posts a bond as required in section 6 of this chapter.

Sec. 6. (a) A licensed operating agent must post a bond with the commission at least sixty (60) days before the commencement of regular riverboat operations in the historic preservation district described in IC 4-33-1-1(3).

(b) The bond shall be furnished in:

- (1) cash or negotiable securities;
- (2) a surety bond:
 - (A) with a surety company approved by the commission; and
 - (B) guaranteed by a satisfactory guarantor; or
- (3) an irrevocable letter of credit issued by a banking institution of Indiana acceptable to the commission.

(c) If a bond is furnished in cash or negotiable securities, the principal shall be placed without restriction at the disposal of the commission, but income inures to the benefit of the licensee.

(d) The bond:

- (1) is subject to the approval of the commission; and
- (2) must be payable to the commission as obligee for use in payment of the riverboat's financial obligations to the local community, the state, and other aggrieved parties, as determined by the rules of the commission.

(e) If after a hearing (after at least five (5) days written notice) the commission determines that the amount of a licensed operating agent's bond is insufficient, the operating agent shall, upon written demand of the commission, file a new bond.

(f) The commission may require a licensed operating agent to file a new bond with a satisfactory surety in the same form and amount if:

- (1) liability on the old bond is discharged or reduced by judgment rendered, payment made, or otherwise; or
- (2) in the opinion of the commission any surety on the old bond becomes unsatisfactory.

(g) If a new bond obtained under subsection (e) or (f) is unsatisfactory, the commission shall cancel the operating agent's license. If the new bond is satisfactorily furnished, the commission shall release in writing the surety on the old bond from any liability accruing after the effective date of the new bond.

(h) A bond is released on the condition that the licensed operating agent remains at the site of the riverboat operating within a historic preservation district:

- (1) for five (5) years; or
- (2) until the date the commission grants a license to another operating agent to operate from the site for which the bond was posted;

whichever occurs first.

(i) An operating agent who does not meet the requirements of subsection (h) forfeits a bond filed under this section. The proceeds of a bond that is in default under this subsection are paid to the commission for the benefit of the local unit from which the riverboat operated.

(j) The total liability of the surety on a bond is limited to the amount specified in the bond and the continuous nature of the bond may not be construed as allowing the liability of the surety under a bond to accumulate for each successive approval period during which the bond is in force.

(k) A bond filed under this section is released sixty (60) days after:

- (1) the time has run under subsection (h); and
- (2) a written request is submitted by the operating agent.

Sec. 7. (a) Unless the operating agent's license is terminated, expires, or is revoked, the operating agent's license may be renewed annually upon:

(1) the payment of a five thousand dollar (\$5,000) annual renewal fee; and

(2) a determination by the commission that the licensee satisfies the conditions of this article.

(b) An operating agent shall undergo a complete investigation every three (3) years to determine that the operating agent remains in compliance with this article.

(c) Notwithstanding subsection (b), the commission may investigate an operating agent at any time the commission determines it is necessary to ensure that the licensee remains in compliance with this article.

(d) The operating agent shall bear the cost of an investigation or reinvestigation of the operating agent.

Sec. 8. A license issued under this chapter permits the holder to operate a the riverboat on behalf of the licensed owner of the riverboat.

Sec. 9. An operating agent licensed under this chapter is charged with all the duties imposed upon a licensed owner under this article including the collection and remission of taxes under IC 4-33-12 and IC 4-33-13.

SECTION 50. IC 4-33-7.5 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]:

Chapter 7.5. Pari-Mutuel Pull Tab Suppliers

Sec. 1. The commission may issue a supplier's license under this chapter to a person if:

(1) the person has:

- (A) applied for the supplier's license;
- (B) paid a nonrefundable application fee set by the commission;
- (C) paid a five thousand dollar (\$5,000) annual license fee; and
- (D) submitted on forms provided by the commission:

- (i) if the applicant is an individual, two (2) sets of the individual's fingerprints; and
- (ii) if the applicant is not an individual, two (2) sets of fingerprints for each officer and director of the applicant; and

(2) the commission has determined that the applicant is eligible for a supplier's license.

Sec. 2. (a) A person holding a supplier's license may sell, lease, and contract to sell or lease pari-mutuel pull tab terminals and devices to a permit holder authorized to sell and redeem pari-mutuel pull tab tickets under IC 4-31-7.5.

(b) Pari-mutuel pull tab terminals and devices may not be distributed unless the terminals and devices conform to standards adopted by the commission.

Sec. 3. A person may not receive a supplier's license if:

- (1) the person has been convicted of a felony under Indiana law, the laws of any other state, or laws of the United States;
- (2) the person has knowingly or intentionally submitted an application for a license under this chapter that contains false information;
- (3) the person is a member of the commission;
- (4) the person is an officer, a director, or a managerial employee of a person described in subdivision (1) or (2);
- (5) the person employs an individual who:
 - (A) is described in subdivision (1), (2), or (3); and
 - (B) participates in the management or operation of gambling operations authorized under this article;
- (6) the person owns more than a ten percent (10%) ownership interest in any other person holding a permit issued under IC 4-31; or
- (7) a license issued to the person:
 - (A) under this article; or
 - (B) to supply gaming supplies in another jurisdiction; has been revoked.

Sec. 4. A person may not furnish pari-mutuel pull tab terminals or devices to a permit holder unless the person possesses a supplier's license.

Sec. 5. (a) A supplier shall furnish to the commission a list of all pari-mutuel pull tab terminals and devices offered for sale or lease in connection with the sale of pari-mutuel pull tab tickets authorized under IC 4-31-7.5.

(b) A supplier shall keep books and records for the furnishing of pari-mutuel pull tab terminals and devices to permit holders separate from books and records of any other business operated by the supplier.

(c) A supplier shall file a quarterly return with the commission listing all sales and leases.

(d) A supplier shall permanently affix the supplier's name to all of the supplier's pari-mutuel pull tab terminals or devices provided to permit holders under this chapter.

Sec. 6. A supplier's pari-mutuel pull tab terminals or devices that are used by a person in an unauthorized gambling operation shall be forfeited to the state.

Sec. 7. Pari-mutuel pull tab terminals and devices that are provided by a supplier may be:

- (1)** repaired on the premises of a racetrack or satellite facility; or
- (2)** removed for repair from the premises of a permit holder to a facility owned the permit holder.

Sec. 8. (a) Unless a supplier's license is suspended, expires, or is revoked, the supplier's license may be renewed annually upon:

- (1)** the payment of a five thousand dollar (\$5,000) annual renewal fee; and
- (2)** a determination by the commission that the licensee is in compliance with this article.

(b) The holder of a supplier's license shall undergo a complete investigation every three (3) years to determine that the licensee is in compliance with this article.

(c) Notwithstanding subsection (b), the commission may investigate the holder of a supplier's license at any time the commission determines it is necessary to ensure that the licensee is in compliance with this article.

(d) The holder of a supplier's license shall bear the cost of an investigation or reinvestigation of the licensee and any investigation resulting from a potential transfer of ownership.

SECTION 51. IC 4-33-9-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: **Sec. 3. (a)** Except as provided in subsection (b), a riverboat excursions cruise may not exceed four (4) hours for a round trip.

(b) Subsection (a) does not apply to an extended cruise that is expressly approved by the commission.

SECTION 52. IC 4-33-9-14 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: **Sec. 14. (a)** This section applies only to a riverboat that operates from a county that is contiguous to the Ohio River.

(b) A gambling excursion cruise is permitted only when the navigable waterway for which the riverboat is licensed is navigable, as determined by the commission in consultation with the United States Army Corps of Engineers.

SECTION 53. IC 4-33-9-17 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: **Sec. 17. (a)** This section applies only to a riverboat located in a historic preservation district described in IC 4-33-1-1(3).

(b) As used in this section, "electronic gaming device" has the meaning set forth in 68 IAC 1-1-29.

(c) As used in this section, "live gaming device" has the meaning set forth in 68-IAC 1-1-59.

(d) The licensed owner of a riverboat described in subsection (a) may not install more than five hundred (500) electronic gaming devices on board the riverboat.

(e) This section does not limit the number of live gaming devices that the licensed owner may install on board a riverboat described in subsection (a).

SECTION 54. IC 4-33-10-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: **Sec. 5.** An action to prosecute a crime occurring during a gambling excursion on a riverboat shall be tried in the county of the dock where the riverboat is based. located.

SECTION 55. IC 4-33-12-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: **Sec. 1. (a)** This section does not apply to a licensed owner that conducts gambling games on a permanently moored vessel.

(b) A tax is imposed on admissions to gambling excursions a riverboat authorized under this article at a rate of either:

(1) three four dollars (~~\$3~~) (\$4) for each person admitted to the gambling excursion: patron who is on board at the time a passenger count is recorded as provided in section 1.5 of this chapter; or

(2) seven dollars (\$7) per day for each patron who boards the riverboat during a particular day.

(c) The licensed owner shall elect the rate and method that the licensed owner wishes to use to collect the admissions tax imposed under this section. The licensed owner shall notify the department of the licensed owner's election.

(d) If the licensed owner elects to use the rate and method set forth in subsection (b)(2), the admissions tax shall be imposed only one (1) time per day per patron.

(e) This admission tax is imposed upon the licensed owner conducting the gambling excursion operation.

SECTION 56. IC 4-33-12-1.3 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: **Sec. 1.3. (a)** This section applies only to a licensed owner that conducts gambling games on a permanently moored vessel.

(b) A tax is imposed on admissions to a riverboat authorized under this article at a rate of either:

(1) five dollars (\$5) for each patron who is on board at the time a passenger count is recorded as provided in section 1.5 of this chapter; or

(2) eight dollars (\$8) per day for each patron who boards the riverboat during a particular day.

(c) The licensed owner shall elect the rate and method that the licensed owner wishes to use to collect the admissions tax imposed under this section. The licensed owner shall notify the department of the licensed owner's election.

(d) If the licensed owner elects to use the rate and method set forth in subsection (b)(2), the admissions tax shall be imposed only one (1) time per day per patron.

(e) This admission tax is imposed upon the licensed owner conducting the gambling operation.

SECTION 57. IC 4-33-12-1.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: **Sec. 1.5. (a)** This section applies only to a licensed owner that elects to collect the admissions tax under section 1(b)(1) or 1.3(b)(1) of this chapter.

(b) Passenger counts must be recorded one (1) hour after the start of each reporting period and once every two (2) hours thereafter under procedures approved by the commission.

(c) If the riverboat's schedule as approved by the commission does not provide for the riverboat to be open to the public at the start of the reporting period, passenger counts must be recorded one (1) hour after the riverboat begins admitting patrons during a reporting period and once every two (2) hours thereafter under procedures approved by the commission.

SECTION 58. IC 4-33-12-6, AS AMENDED BY P.L.215-2001, SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: **Sec. 6. (a)** The department shall place in the state general fund the tax revenue collected under this chapter.

(b) Except as provided by subsection (c) and IC 6-3.1-20-7, the treasurer of state shall quarterly pay the following amounts:

(1) Except as provided in subsection (i), one dollar (\$1) of the admissions tax collected by the licensed owner for each person embarking on a riverboat during the quarter shall be paid to:

- (A)** the city in which the riverboat is docked, if the city:
 - (i)** is described in IC 4-33-6-1(a)(1) through IC 4-33-6-1(a)(4) or in IC 4-33-6-1(b); or
 - (ii)** is contiguous to the Ohio River and is the largest city in the county; and

(B) the county in which the riverboat is docked, if the riverboat is not docked in a city described in clause (A).

(2) **Except as provided in subsection (i)**, one dollar (\$1) of the admissions tax collected by the licensed owner for each person embarking on a riverboat during the quarter shall be paid to the county in which the riverboat is docked. In the case of a county described in subdivision (1)(B), this one dollar (\$1) is in addition to the one dollar (\$1) received under subdivision (1)(B).

(3) **Except as provided in subsection (i)**, ten cents (\$0.10) of the admissions tax collected by the licensed owner for each person embarking on a riverboat during the quarter shall be paid to the county convention and visitors bureau or promotion fund for the county in which the riverboat is docked.

(4) Fifteen cents (\$0.15) of the admissions tax collected by the licensed owner for each person embarking on a riverboat during a quarter shall be paid to the state fair commission, for use in any activity that the commission is authorized to carry out under IC 15-1.5-3.

(5) Ten cents (\$0.10) of the admissions tax collected by the licensed owner for each person embarking on a riverboat during the quarter shall be paid to the division of mental health and addiction. The division shall allocate at least twenty-five percent (25%) of the funds derived from the admissions tax to the prevention and treatment of compulsive gambling.

(6) Sixty-five cents (\$0.65) of the admissions tax collected by the licensed owner for each person embarking on a riverboat during the quarter shall be paid to the Indiana horse racing commission to be distributed as follows, in amounts determined by the Indiana horse racing commission, for the promotion and operation of horse racing in Indiana:

(A) To one (1) or more breed development funds established by the Indiana horse racing commission under IC 4-31-11-10.

(B) To a racetrack that was approved by the Indiana horse racing commission under IC 4-31. The commission may make a grant under this clause only for purses, promotions, and routine operations of the racetrack. No grants shall be made for long term capital investment or construction and no grants shall be made before the racetrack becomes operational and is offering a racing schedule.

(7) The remainder of the admissions tax collected by the licensed owner for each person embarking on a riverboat during the quarter shall be paid to county treasurer of each county described in subsection (j) according to the ratio the population of each county bears to the total population of the counties that do not have a riverboat licensed under this article.

(c) With respect to tax revenue collected from a riverboat that operates on Patoka Lake, in a historic preservation district described in IC 4-33-1-1(3), the treasurer of state shall quarterly pay the following amounts:

(1) The counties described in ~~IC 4-33-1-1(3)~~ that are contiguous to Patoka Lake shall receive one dollar (~~\$1~~) and twenty cents (\$1.20) of the admissions tax collected for each person embarking on the riverboat during the quarter. This amount shall be divided equally among the counties ~~described in IC 4-33-1-1(3)~~ that are contiguous to Patoka Lake.

(2) The Patoka Lake development account established under ~~IC 4-33-15~~ historic preservation district described in IC 4-33-1-1(3) shall receive one dollar (~~\$1~~) forty cents (\$0.40) of the admissions tax collected for each person embarking on the riverboat during the quarter.

(3) The resource conservation and development program that: (A) is established under 16 U.S.C. 3451 et seq.; and (B) serves the Patoka Lake area;

town described in IC 4-33-1-1(3)(C)(i) shall receive forty cents (\$0.40) of the admissions tax collected for each person embarking on the riverboat during the quarter.

(4) **The town described in IC 4-33-1-1(3)(C)(ii) shall receive forty cents (\$0.40) of the admissions tax collected for each person embarking on the riverboat during the quarter.**

(5) The state general fund tourism commission of the town described in IC 4-33-1-1(3)(C)(i) shall receive fifty cents (~~\$0.50~~) twenty-five cents (\$0.25) of the admissions tax collected for each person embarking on the riverboat during the quarter.

(6) The tourism commission of the town described in IC 4-33-1-1(3)(C)(ii) shall receive twenty-five cents (\$0.25) of the admissions tax collected for each person embarking on the riverboat during the quarter.

~~(5)~~ (7) The division of mental health and addiction shall receive ten cents (\$0.10) of the admissions tax collected for each person embarking on the riverboat during the quarter. The division shall allocate at least twenty-five percent (25%) of the funds derived from the admissions tax to the prevention and treatment of compulsive gambling.

(d) Money paid to a unit of local government under subsection (b)(1) through (b)(2) or subsection (c)(1), **(c)(3), or (c)(4):**

(1) must be paid to the fiscal officer of the unit and may be deposited in the unit's general fund or riverboat fund established under IC 36-1-8-9, or both;

(2) may not be used to reduce the unit's maximum levy under IC 6-1.1-18.5, but may be used at the discretion of the unit to reduce the property tax levy of the unit for a particular year;

(3) may be used for any legal or corporate purpose of the unit, including the pledge of money to bonds, leases, or other obligations under IC 5-1-14-4; and

(4) is considered miscellaneous revenue.

(e) Money paid by the treasurer of state under subsection (b)(3) shall be:

(1) deposited in:

(A) the county convention and visitor promotion fund; or
(B) the county's general fund if the county does not have a convention and visitor promotion fund; and

(2) used only for the tourism promotion, advertising, and economic development activities of the county and community.

(f) Money received by the division of mental health and addiction under subsections (b)(5) and ~~(c)(5)~~: **(c)(7):**

(1) is annually appropriated to the division of mental health and addiction;

(2) shall be distributed to the division of mental health and addiction at times during each state fiscal year determined by the budget agency; and

(3) shall be used by the division of mental health and addiction for programs and facilities for the prevention and treatment of addictions to drugs, alcohol, and compulsive gambling, including the creation and maintenance of a toll free telephone line to provide the public with information about these addictions. The division shall allocate at least twenty-five percent (25%) of the money received to the prevention and treatment of compulsive gambling.

(g) Money paid by the treasurer of state under subsection (c)(5) and (c)(6) must be used only for the tourism promotion, advertising, and economic development activities of the respective towns.

(h) The treasurer of state shall determine the total amount of money paid by the treasurer of state under subsection (b)(1), (b)(2), and (b)(3) during the state fiscal year 2001. The amount determined under this subsection is the base year revenue for each city, county, and county convention and visitors bureau or promotion fund receiving money under subsection (b)(1), (b)(2), and (b)(3). The treasurer of state shall certify the base year revenue determined under this subsection to each city, county, and county convention and visitors bureau or promotion fund receiving money under subsection (b)(1), (b)(2), and (b)(3).

(i) For state fiscal years beginning after June 30, 2001, the treasurer of state shall notify the city, county, and county convention and visitors bureau or promotion fund receiving money under subsection (b)(1), (b)(2) on the date that the entity's distributions under subsection (b) equal the entity's base year revenue. An entity may not receive a distribution under subsection (b) after the date of the notification required by this subsection. (j) After the date of the notification required by

subsection (g), the treasurer of state shall pay the remainder of riverboat admissions taxes described in subsection (b)(1), (b)(2), or (b)(3) for a particular entity to the county treasurer of each county that does not have a riverboat licensed under this article. The treasurer of state shall make the payments to each county described in this subsection according to the ratio the population of each county bears to the total population of the counties that do not have a riverboat licensed under this article.

SECTION 59. IC 4-33-13-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 1. (a) A tax is imposed on the adjusted gross receipts received from gambling games authorized under this article at the rate of twenty percent (20%) of the amount of the adjusted gross receipts set forth in the following table:

Adjusted Gross Receipts Reported during the Year	Tax Rate
Less than \$100,000,000	20%
At least \$100,000,000 but less than \$150,000,000	22.5%
At least \$150,000,000 but less than \$250,000,000	25%
At least \$250,000,000 but less than \$350,000,000	30%
At least \$350,000,000	35%

(b) The licensed owner shall remit the tax imposed by this chapter to the department before the close of the business day following the day the wagers are made.

(c) The department may require payment under this section to be made by electronic funds transfer (as defined in IC 4-8.1-2-7(e)).

(d) If the department requires taxes to be remitted under this chapter through electronic funds transfer, the department may allow the licensed owner to file a monthly report to reconcile the amounts remitted to the department.

(e) The department may allow taxes remitted under this section to be reported on the same form used for taxes paid under IC 4-33-12.

SECTION 60. IC 4-33-13-5, AS AMENDED BY P.L.273-1999, SECTION 44, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 5. (a) **This subsection does not apply to a riverboat located in a historic preservation district described in IC 4-33-1-1(3) or a riverboat located in a county described in IC 4-33-1-1(1).** After funds are appropriated under section 4 of this chapter, each month the treasurer of state shall distribute the tax revenue deposited in the state gaming fund under this chapter to the following:

(1) Twenty-five percent (25%) of the tax revenue remitted by each licensed owner shall be paid:

(A) to the city that is designated as the home dock of the riverboat from which the tax revenue was collected, in the case of a city described in IC 4-33-12-6(b)(1)(A);

(B) in equal shares to the counties described in IC 4-33-1-1(3), in the case of a riverboat whose home dock is on Patoka Lake; or

(C) to the county that is designated as the home dock of the riverboat from which the tax revenue was collected, in the case of a riverboat whose home dock is not in a city described in clause (A) or a county described in clause (B); and

(2) Seventy-five percent (75%) of the tax revenue remitted by each licensed owner shall be paid to the build Indiana fund lottery and gaming surplus account.

(b) **This subsection applies only to a riverboat located in a historic preservation district described in IC 4-33-1-1(3).** After funds are appropriated under section 4 of this chapter, each month the treasurer of state shall distribute the tax revenue deposited in the state gaming fund under this chapter to the following:

(1) Fifty percent (50%) of the tax revenue remitted by the licensed owner shall be paid to the build Indiana fund lottery and gaming surplus account.

(2) Twenty-five percent (25%) of the tax revenue remitted by the licensed owner shall be paid to the historic preservation district described in IC 4-33-1-1(3).

(3) Six percent (6%) of the tax revenue remitted by the licensed owner shall be paid to the county in which the historic preservation district described in IC 4-33-1-1(3) is located.

(4) Six percent (6%) of the tax revenue remitted by the licensed owner shall be paid to the town described in IC 4-33-1-1(3)(C)(i).

(5) Six percent (6%) of the tax revenue remitted by the licensed owner shall be paid to the town described in IC 4-33-1-1(3)(C)(ii).

(6) Three percent (3%) of the tax revenue remitted by the licensed owner shall be paid to the county described in subdivision (3) to be used to make grants to other governmental agencies.

(7) Two percent (2%) of the tax revenue remitted by the licensed owner shall be paid to the tourism commission of the town described in IC 4-33-1-1(3)(C)(i).

(8) Two percent (2%) of the tax revenue remitted by the licensed owner shall be paid to the tourism commission of the town described in IC 4-33-1-1(3)(C)(ii).

(c) **This subsection applies only to a riverboat located in a county described in IC 4-33-1-1(1).** After funds are appropriated under section 4 of this chapter, the treasurer of state shall distribute the tax revenue deposited in the state gaming fund under this chapter to the following:

(1) The first seven million dollars (\$7,000,000) of tax revenue collected each year shall be deposited in the shoreline environmental trust fund established under IC 36-7-13.5-19.

(2) After the deposits required under subdivision (1) are made, the remaining tax revenues shall be distributed as follows:

(A) Twenty-five percent (25%) to the city that is designated as the home dock of the riverboat from which the tax revenue was collected.

(B) Seventy-five percent (75%) to the build Indiana fund lottery and gaming surplus account.

SECTION 61. IC 4-33-13-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 6. (a) Money paid to a unit of local government under this chapter:

(1) must be paid to the fiscal officer of the unit and may be deposited in the unit's general fund or riverboat fund established under IC 36-1-8-9, or both;

(2) may not be used to reduce the unit's maximum or actual levy under IC 6-1.1-18.5; and

(3) may be used for any legal or corporate purpose of the unit, including the pledge of money to bonds, leases, or other obligations under IC 5-1-14-4.

(b) This chapter does not prohibit the city or county designated as the home dock of the riverboat from entering into agreements with other units of local government in Indiana or in other states to share the city's or county's part of the tax revenue received under this chapter.

(c) **Money paid by the treasurer of state under section 5(b)(7) and 5(b)(8) of this chapter must be used only for the tourism promotion, advertising, and economic development activities of the respective towns.**

SECTION 62. IC 4-33-16 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]:

Chapter 16. Gambling Operations in a Historic Preservation District

Sec. 1. This chapter applies only to a historic preservation district described in IC 4-33-1-1(3) and established under IC 36-7-11-4.5.

Sec. 2. As used in this chapter, "district" refers to the historic preservation district established under IC 36-7-11-4.5.

Sec. 3. As used in this chapter, "historic preservation commission" refers to the historic preservation commission established under IC 36-7-11-4.5.

Sec. 4. As used in this chapter, "operating expenses" means the following:

(1) Money spent by the historic preservation commission in the exercise of the historic preservation commission's powers under this article, IC 36-7-11-23, and IC 36-7-11-24 as limited by section 5 of this chapter.

(2) Management fees paid to the riverboat's licensed operating agent.

Sec. 5. A riverboat authorized under this article for a historic preservation district described in IC 4-33-1-1(3) must be located on real property owned by the district that is located between the two (2) historic resort hotels.

Sec. 6. The commission shall grant an owner's license to the historic preservation commission upon the fulfillment of the following requirements:

(1) Riverboat gaming is approved in a public question.

(2) The commission completes the investigations required under IC 4-33-6.

Sec. 7. The historic preservation commission shall contract with another person to operate a riverboat located in the district. The person must be a licensed operating agent under IC 4-33-6.5.

Sec. 8. The net income derived from the riverboat after the payment of all operating expenses shall be deposited in the French Lick and West Baden community trust fund established under IC 36-7-11.4.

Sec. 9. After deducting any tax revenue received under IC 4-33-12 and IC 4-33-13 that:

(1) is expended by the historic preservation commission to carry out the historic preservation commission's duties and powers under this article, IC 36-7-11-3, and IC 36-7-11-24; or

(2) is pledged to bonds, leases, or other obligations under IC 5-1-14-4;

the historic preservation commission shall deposit the remaining tax revenue in the French Lick and West Baden community trust fund established under IC 36-7-11.4.

SECTION 63. IC 4-33-17 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]:

Chapter 17. Riverboat Safety Standards

Sec. 1. A riverboat licensed under this article that:

(1) is a permanently moored vessel; and

(2) is not under the jurisdiction of the United States Coast Guard;

must comply with the safety requirements adopted by the commission. The commission shall consult with all applicable state and federal agencies to ensure compliance with standards for safety, design, construction, inspection, survey, and the moorings of a continuously moored vessel.

Sec. 2. The commission may adopt additional safety requirements to promote the safety of persons entering a riverboat.

Sec. 3. A licensee may not conduct gaming at a riverboat until all applicable standards have been met and the commission approves gaming on the riverboat.

Sec. 4. (a) A riverboat must undergo an inspection annually to determine the riverboat's continuing compliance with the safety requirements adopted by the commission.

(b) A riverboat must:

(1) have approved before licensure and annually thereafter a plan for firefighting and for the protection and evacuation of personnel; and

(2) have a staff sufficiently trained as required to execute the plan.

SECTION 64. IC 6-8.1-1-1, AS AMENDED BY P.L.151-2001, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 1. "Listed taxes" or "taxes" includes only the pari-mutuel pull tab taxes (IC 4-31-7.5-11 and IC 4-31-7.5-13); the pari-mutuel taxes (IC 4-31-9-3 through IC 4-31-9-5); the riverboat admissions tax (IC 4-33-12); the riverboat wagering tax (IC 4-33-13); the gross income tax (IC 6-2.1); the state gross retail and use taxes (IC 6-2.5); the adjusted gross income tax (IC 6-3); the supplemental net income tax (IC 6-3-8); the county

adjusted gross income tax (IC 6-3.5-1.1); the county option income tax (IC 6-3.5-6); the county economic development income tax (IC 6-3.5-7); the municipal option income tax (IC 6-3.5-8); the auto rental excise tax (IC 6-6-9); the bank tax (IC 6-5-10); the savings and loan association tax (IC 6-5-11); the production credit association tax (IC 6-5-12); the financial institutions tax (IC 6-5.5); the gasoline tax (IC 6-6-1.1); the alternative fuel permit fee (IC 6-6-2.1); the special fuel tax (IC 6-6-2.5); the motor carrier fuel tax (IC 6-6-4.1); a motor fuel tax collected under a reciprocal agreement under IC 6-8.1-3; the motor vehicle excise tax (IC 6-6-5); the commercial vehicle excise tax (IC 6-6-5.5); the hazardous waste disposal tax (IC 6-6-6.6); the cigarette tax (IC 6-7-1); the beer excise tax (IC 7.1-4-2); the liquor excise tax (IC 7.1-4-3); the wine excise tax (IC 7.1-4-4); the hard cider excise tax (IC 7.1-4-4.5); the malt excise tax (IC 7.1-4-5); the petroleum severance tax (IC 6-8-1); the various innkeeper's taxes (IC 6-9); the various county food and beverage taxes (IC 6-9); the county admissions tax (IC 6-9-13 and IC 6-9-28); the oil inspection fee (IC 16-44-2); the emergency and hazardous chemical inventory form fee (IC 6-6-10); the penalties assessed for oversize vehicles (IC 9-20-3 and IC 9-30); the fees and penalties assessed for overweight vehicles (IC 9-20-4 and IC 9-30); the underground storage tank fee (IC 13-23); the solid waste management fee (IC 13-20-22); and any other tax or fee that the department is required to collect or administer.

SECTION 65. IC 35-45-5-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 7. This chapter does not apply to the publication or broadcast of an advertisement, a list of prizes, or other information concerning:

(1) pari-mutuel wagering on horse races or a lottery authorized by the law of any state; or

(2) a game of chance operated in accordance with IC 4-32; or

(3) a pari-mutuel pull tab game operated in accordance with IC 4-31-7.5.

SECTION 66. IC 35-45-5-11 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: **Sec. 11.** This chapter does not apply to the sale of pari-mutuel pull tab tickets authorized by IC 4-31-7.5.

SECTION 67. IC 36-7-11-4.3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 4.3. (a) An ordinance that establishes a historic preservation commission under section 4 or 4.5 of this chapter may authorize the staff of the commission, on behalf of the commission, to grant or deny an application for a certificate of appropriateness.

(b) An ordinance adopted under this section must specify the types of applications that the staff of the commission is authorized to grant or deny. The staff may not be authorized to grant or deny an application for a certificate of appropriateness for the following:

(1) The demolition of a building.

(2) The moving of a building.

(3) The construction of an addition to a building.

(4) The construction of a new building.

SECTION 68. IC 36-7-11-4.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: **Sec. 4.5. (a)** This section applies to the following towns located in a county having a population of more than nineteen thousand three hundred (19,300) but less than twenty thousand (20,000):

(1) A town having a population of more than one thousand five hundred (1,500) but less than two thousand two hundred (2,200).

(2) A town having a population of less than one thousand five hundred (1,500).

(b) The towns described in subsection (a) may enter an interlocal agreement under IC 36-1-7 to establish a joint historic preservation district under this chapter. An ordinance entering the interlocal agreement must provide for the following membership of the joint historic preservation district:

(1) A member of the town council of a town described in subsection (a)(1).

(2) A member of the town council of a town described in subsection (a)(2).

- (3) The owner of a historic resort hotel located in a town described in subsection (a)(1) or the owner's designee.
- (4) The owner of a historic resort hotel located in a town described in subsection (a)(2) or the owner's designee.
- (5) An individual appointed by the Historic Landmarks Foundation of Indiana.
- (6) A resident of a town described in subsection (a)(1).
- (7) A resident of a town described in subsection (a)(2).
- (c) A member of the commission described in subsection (b)(1) or (b)(2) shall serve for the duration of the member's term of office on the town council. The members described in subsection (b)(5) through (b)(7) shall each serve for a term of three (3) years. However, the terms of the original voting members may be for one (1) year, two (2) years, or three (3) years in order for the terms to be staggered, as provided by the ordinance. A vacancy shall be filled for the duration of the term.
- (d) The ordinance may provide qualifications for members of the commission described in subsection (b)(6) and (b)(7). However, members must be residents of the unit who are interested in the preservation and development of historic areas. The members of the commission should include professionals in the disciplines of architectural history, planning, and other disciplines related to historic preservation, to the extent that those professionals are available in the community. The ordinance may also provide for the appointment of advisory members that the legislative body considers appropriate.
- (e) Each member of the commission must, before beginning the discharge of the duties of the member's office, do the following:
- (1) Take an oath that the member will faithfully execute the duties of the member's office according to Indiana law and rules adopted under Indiana law.
 - (2) Provide a bond to the state that:
 - (A) is approved by the Indiana gaming commission;
 - (B) is for twenty-five thousand dollars (\$25,000); and
 - (C) is, after being executed and approved, recorded in the office of the secretary of state.
- (f) The ordinance may:
- (1) designate an officer or employee of a town described in subsection (a) to act as administrator;
 - (2) permit the commission to appoint an administrator who shall serve without compensation except reasonable expenses incurred in the performance of the administrator's duties; or
 - (3) provide that the commission act without the services of an administrator.
- (g) Members of the commission shall serve without compensation except for reasonable expenses incurred in the performance of their duties.
- (h) The commission shall elect from its membership a chairperson and vice chairperson, who shall serve for one (1) year and may be reelected.
- (i) The commission shall adopt rules consistent with this chapter for the transaction of its business. The rules must include the time and place of regular meetings and a procedure for the calling of special meetings. All meetings of the commission must be open to the public, and a public record of the commission's resolutions, proceedings, and actions must be kept. If the commission has an administrator, the administrator shall act as the commission's secretary. If the commission does not have an administrator, the commission shall elect a secretary from its membership.
- (j) The commission shall hold regular meetings, at least monthly, except when it has no business pending.
- (k) A decision of the commission is subject to judicial review under IC 4-21.5-5 as if it were a decision of a state agency.
- (l) Money acquired by the historic preservation commission:
- (1) is subject to the laws concerning the deposit and safekeeping of public money; and
 - (2) must be deposited under the advisory supervision of the state board of finance in the same way and manner, at the

same rate of interest, and under the same restrictions as other state money.

(m) The money of the historic preservation commission and the accounts of each officer, employee, or other person entrusted by law with the raising, disposition, or expenditure of the money or part of the money are subject to the following:

- (1) Examination by the state board of accounts.
- (2) The same penalties and the same provision for publicity that are provided by law for state money and state officers.

SECTION 69. IC 36-7-11-4.6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 4.6. An ordinance that establishes a historic preservation commission under section 4 or 4.5 of this chapter may:

- (1) authorize the commission to:
 - (A) acquire by purchase, gift, grant, bequest, devise, or lease any real or personal property, including easements, that is appropriate for carrying out the purposes of the commission;
 - (B) hold title to real and personal property; and
 - (C) sell, lease, rent, or otherwise dispose of real and personal property at a public or private sale on the terms and conditions that the commission considers best; and
- (2) establish procedures that the commission must follow in acquiring and disposing of property.

SECTION 70. IC 36-7-11-23 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 23. (a) This section applies to a historic preservation commission established under section 4.5 of this chapter.

(b) In addition to the commission's other duties set forth in this chapter, the commission shall do the following:

- (1) Designate a fiscal agent who must be the fiscal officer of one (1) of the towns described in section 4.5(a) of this chapter.
- (2) Employ professional staff to assist the commission in carrying out its duties under this section.
- (3) Engage consultants, attorneys, accountants, and other professionals necessary to carry out the commission's duties under this section.
- (4) Own the riverboat license described in IC 4-33-6-1(a)(6).
- (5) Develop requests for proposals for persons interested in operating and managing the riverboat authorized under IC 4-33 on behalf of the commission as the riverboat's licensed operating agent.
- (6) Recommend a person to the Indiana gaming commission that the historic preservation commission believes will:
 - (A) promote the most economic development in the area surrounding the historic preservation district;
 - (B) best meet the criteria set forth in IC 4-33-6-4; and
 - (C) best serve the interests of the citizens of Indiana.

However, the gaming commission is not bound by the recommendation of the historic preservation commission.

SECTION 71. IC 36-7-11-24 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 24. (a) This section applies to a historic preservation commission established under section 4.5 of this chapter.

(b) In addition to the commission's other powers set forth in this chapter, the commission may do the following:

- (1) Enter contracts to carry out the commission's duties under section 23 of this chapter, including contracts for the construction, maintenance, operation, and management of a riverboat to be operated in the historic preservation district under IC 4-33.
- (2) Provide recommendations to the Indiana gaming commission concerning the operation and management of a riverboat to be operated in the historic preservation district under IC 4-33.

(c) This section may not be construed to limit the powers of the Indiana gaming commission with respect to the administration and regulation of riverboat gaming under IC 4-33.

SECTION 72. IC 36-7-11.4 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]:

Chapter 11.4. French Lick and West Baden Community Trust Fund

Sec. 1. This section applies to a historic preservation district established under IC 36-7-11-4.5.

Sec. 2. As used in this chapter, "fund" refers to the French Lick and West Baden community trust fund established by section 4 of this chapter.

Sec. 3. As used in this chapter, "historic preservation commission" refers to the historic preservation commission established under IC 36-7-11-4.5.

Sec. 4. (a) The French Lick and West Baden community trust fund is established.

(b) The fund consists of the following:

- (1) Money disbursed from the historic preservation commission.
- (2) Donations.
- (3) Interest and dividends on assets of the fund.
- (4) Money transferred to the fund from other funds.
- (5) Money from any other source.

Sec. 5. (a) The historic preservation commission shall manage and develop the fund and the assets of the fund.

(b) The historic preservation commission shall do the following:

- (1) Establish a policy for the investment of the fund's assets.
- (2) Perform other tasks consistent with prudent management and development of the fund.

Sec. 6. (a) Subject to the investment policy of the board, the fiscal agent appointed by the historic preservation commission shall administer the fund and invest the money in the fund.

(b) The expenses of administering the fund and implementing this chapter shall be paid from the fund.

(c) Money in the fund that is not currently needed to meet the obligations of the fund may be invested in the same manner as other public funds are invested. Interest that accrues from these investments shall be deposited in the fund.

(d) Money in the fund at the end of a state fiscal year does not revert to the state general fund.

Sec. 7. (a) The historic preservation commission has the sole authority to allocate money from the fund for the following purposes:

- (1) The preservation, restoration, maintenance, operation, and development of the French Lick historic resort hotel.
- (2) The preservation, restoration, maintenance, operation, and development of the West Baden historic resort hotel.
- (3) Infrastructure projects and other improvements in the surrounding community.

(b) Money allocated under subsection (a)(1) and (a)(2) must be divided equally between the two (2) historic resort hotels.

Sec. 8. The historic preservation commission shall prepare an annual report concerning the fund and submit the report to the legislative council before October 1 of each year. The report is a public record.

SECTION 73. THE FOLLOWING ARE REPEALED [EFFECTIVE JULY 1, 2002]: IC 4-33-2-8; IC 4-33-4-19; IC 4-33-9-2; IC 4-33-12-2; IC 4-33-15.

SECTION 74. [EFFECTIVE JULY 1, 2002] **(a)** The Indiana gaming commission shall adopt the emergency rules required under IC 4-31-7.5-15, as added by this act, before September 1, 2002.

(b) This SECTION expires December 31, 2002.

SECTION 75. [EFFECTIVE UPON PASSAGE] **(a)** This SECTION applies to a county having a population of more than nineteen thousand three hundred (19,300) but less than twenty thousand (20,000).

(b) The Indiana gaming commission may not issue a license under this article to allow a riverboat to operate in the county unless the voters of:

(1) a town having a population of more than one thousand five hundred (1,500) but less than two thousand two hundred (2,200) located in the county; and

(2) a town having a population of less than one thousand five hundred (1,500) located in the county;

have approved gambling on a riverboat in the county.

(c) Notwithstanding IC 4-33-6-19.5, as added by this act, the county election board shall place the following question on the ballot in the towns described in subsection (b) during the primary election held on May 7, 2002:

"Shall a license be issued to allow riverboat gambling in the town of _____?".

(d) Notwithstanding IC 4-33-6-19.5, as added by this act, the registered voters of the towns described in subsection (b) are not required to petition the clerk of the circuit court to place the public question described in subsection (c) on the ballot.

(e) A public question under this SECTION shall be placed on the ballot in accordance with IC 3-10-9.

(f) If a public question is placed on the ballot under this SECTION and the voters of the town do not vote in favor of allowing riverboat gambling under IC 4-33, another public question regarding riverboat gambling may not be held in the town for at least two (2) years.

(g) The clerk of the circuit court of a county holding an election under this SECTION shall certify the results determined under IC 3-12-4-9 to the commission and the department of state revenue.

(h) This SECTION expires July 2, 2002.

SECTION 76. [EFFECTIVE JULY 1, 2002] **(a)** IC 4-33-12-1 and IC 4-33-12-6, both as amended by this act, apply to admissions taxes collected after June 30, 2002.

(b) IC 4-33-12-1.3, as added by this act, applies to admissions taxes collected after June 30, 2002.

(c) IC 4-33-13-1 and IC 4-33-13-5, both as amended by this act, apply to adjusted gross receipts reported after June 30, 2002."

Renumber all SECTIONS consecutively.

(Reference is to SB 333 as reprinted January 29, 2002 and as amended by the Committee Report of the House Committee on Public Policy, Ethics, and Veterans Affairs adopted on February 19, 2002.)

and when so amended that said bill do pass.

Committee Vote: yeas 14, nays 12.

BAUER, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Local Government, to which was referred Engrossed Senate Bill 341, 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 36-7-4-207 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 207. (a) ADVISORY. In a city having a park board and a city civil engineer, the city plan commission consists of nine (9) members, as follows:

- (1) One (1) member appointed by the city legislative body from its membership.
- (2) One (1) member appointed by the park board from its membership.
- (3) One (1) member or designated representative appointed by the city works board.
- (4) The city civil engineer or a qualified assistant appointed by the city civil engineer.
- (5) Five (5) citizen members, of whom no more than three (3) may be of the same political party, appointed by the city executive.

(b) ADVISORY. If a city lacks either a park board or a city civil engineer, or both, subsection (a) does not apply. In such a city or in

any town, the municipal plan commission consists of seven (7) members, as follows:

- (1) The municipal legislative body shall appoint three (3) persons, who must be elected or appointed municipal officials or employees in the municipal government, as members.
- (2) The municipal executive shall appoint four (4) citizen members, of whom no more than two (2) may be of the same political party.
- (c) AREA. To provide equitable representation of rural and urban populations, representation on the area plan commission is determined as follows:

- (1) Seven (7) representatives from each city having a population of more than one hundred five thousand (105,000).
- (2) Six (6) representatives from each city having a population of not less than seventy thousand (70,000) nor more than one hundred five thousand (105,000).
- (3) Five (5) representatives from each city having a population of not less than thirty-five thousand (35,000) but less than seventy thousand (70,000).
- (4) Four (4) representatives from each city having a population of not less than twenty thousand (20,000) but less than thirty-five thousand (35,000).
- (5) Three (3) representatives from each city having a population of not less than ten thousand (10,000) but less than twenty thousand (20,000).
- (6) Two (2) representatives from each city having a population of less than ten thousand (10,000).
- (7) One (1) representative from each town having a population of more than two thousand one hundred (2,100), and one (1) representative from each town having a population of two thousand one hundred (2,100) or less that had a representative before January 1, 1979.
- (8) Such representatives from towns having a population of not more than two thousand one hundred (2,100) as are provided for in section 210 of this chapter.
- (9) Six (6) county representatives if the total number of municipal representatives in the county is an odd number, or five (5) county representatives if the total number of municipal representatives is an even number.

(d) METRO. The metropolitan development commission consists of ~~eleven (11)~~ **nine (9)** citizen members, as follows:

- (1) ~~Five (5)~~ **Four (4)** members, of whom no more than ~~three (3)~~ **two (2)** may be of the same political party, appointed by the executive of the consolidated city.
- (2) Three (3) members, of whom no more than two (2) may be of the same political party, appointed by the legislative body of the consolidated city.
- (3) Two (2) members, who must be of different political parties, appointed by the board of commissioners of the county.
- ~~(4) One (1) member who represents the township legislative bodies. The procedure for the township legislative bodies for appointing the member shall be established by an ordinance adopted by the legislative body of the consolidated city."~~

Page 3, after line 25, begin a new paragraph and insert:

"SECTION 5. IC 36-7-4-1210.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 1210.5. (a) ADVISORY. As used in this section, "town" refers to the most populous town in the jurisdiction of the plan commission.

(b) ADVISORY. This section applies to a plan commission operating under a joinder agreement:

- (1) in a county having a population of more than one hundred eight thousand (108,000) but less than one hundred eight thousand nine hundred fifty (108,950); and
- (2) containing:
 - (A) a township having a population of more than nine thousand (9,000) but less than ten thousand (10,000); or
 - (B) a township having a population of more than eight thousand four hundred forty (8,440) but less than eight thousand five hundred (8,500).

(c) ADVISORY. Notwithstanding section 1210 of this chapter, a plan commission described in subsection (b) shall have nine (9) members as follows:

- (1) Two (2) members of the town legislative body, to be appointed by the town executive for a one (1) year term.
- (2) Two (2) town residents who are not elected officials or town employees, to be appointed by the town executive for a four (4) year term.
- (3) One (1) member of the township board, to be appointed by the township executive for a one (1) year term. **However, if there is not a member of the township board willing to serve, five (5) township residents shall be appointed under subdivision (4)(B).**

(4) **Either:**

(A) Four (4) township residents who:

- (i) are not residents of the town; and
 - (ii) are not employees of the town or township;
- to be appointed by the township executive with the approval of the township legislative body for a four (4) year term, **if a member of the township board serves under subdivision (3); or**

(B) **Five (5) township residents who:**

- (i) **are not residents of the town; and**
 - (ii) **are not employees of the town or township;**
- to be appointed by the township executive with the approval of the township legislative body for a four (4) year term, if a member of the township board does not serve under subsection (3).**

SECTION 6. THE FOLLOWING ARE REPEALED [EFFECTIVE JULY 1, 2002]: IC 36-7-4-504.5; IC 36-7-4-608.5."

Renumber all SECTIONS consecutively.

(Reference is to SB 341 as printed January 25, 2002.)

and when so amended that said bill do pass.

Committee Vote: yeas 9, nays 0.

STEVENSON, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Human Affairs, to which was referred Engrossed Senate Bill 344, 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 everything after the enacting clause and insert the following:

SECTION 1. IC 2-5-27 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]:

Chapter 27. Executive Commission on Hispanic/Latino Affairs

Sec. 1. The executive commission on Hispanic/Latino affairs is established.

Sec. 2. (a) The commission shall do the following:

- (1) **Identify and research issues affecting the Hispanic/Latino communities.**
- (2) **Promote cooperation and understanding between the Hispanic/Latino communities and other communities throughout Indiana.**
- (3) **Report to the legislative council and the governor concerning Hispanic/Latino issues, including the following:**
 - (A) **Conditions causing exclusion of Hispanics/Latinos from the larger Indiana community.**
 - (B) **Measures to stimulate job skill training and related workforce development.**
 - (C) **Measures to sustain cultural diversity while improving race and ethnic relations.**
 - (D) **Public awareness of issues affecting the Hispanic/Latino communities.**
 - (E) **Measures that could facilitate easier access to state and local government services by Hispanics/Latinos.**
 - (F) **Challenges and opportunities arising out of the growing Hispanic/Latino population.**

(b) The commission may study other topics as assigned by the legislative council or the governor.

(c) The commission may make legislative recommendations to the general assembly.

Sec. 3. (a) The commission consists of thirteen (13) members appointed as follows:

(1) Two (2) members of the senate, not more than one (1) of whom may be affiliated with the same political party, to be appointed by the president pro tempore of the senate.

(2) Two (2) members of the house of representatives, not more than two (2) of whom may be affiliated with the same political party, to be appointed by the speaker of the house of representatives.

(3) Two (2) members of the Hispanic/Latino community who are not members of the general assembly, to be appointed by the president pro tempore of the senate.

(4) Two (2) members of the Hispanic/Latino community who are not members of the general assembly, to be appointed by the speaker of the house of representatives.

(5) Five (5) members of the Hispanic/Latino community, to be appointed by the governor.

In making their appointments under this section, the president pro tempore of the senate, the speaker of the house of representatives, and the governor shall attempt to have the greatest number of counties represented on the commission.

(b) The governor shall appoint a member of the commission to serve as chairperson.

(c) If a legislative member of the commission ceases being a member of the chamber from which the member was appointed, the member also ceases to be a member of the commission.

(d) A member of the commission may be removed at any time by the appointing authority who appointed the member.

(e) If a vacancy exists on the commission, the appointing authority who appointed the former member whose position has become vacant shall appoint an individual to fill the vacancy.

(f) Each member of the commission who is a member of the general assembly is a nonvoting member.

(g) The affirmative votes of a majority of the voting members appointed to the commission are required for the commission to take action on any measure, including final reports.

Sec. 4. (a) The department of workforce development shall provide staff support to the commission.

(b) The expenses of the commission shall be paid from appropriations made to the department of workforce development.

Sec. 5. (a) Each member of the commission 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 commission who is a state employee but who is not a member of the general assembly 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.

(c) Each member of the commission who is a member of the general assembly is entitled to receive the same per diem, mileage, and travel allowances paid to legislative members of interim study committees established by the legislative council. Per diem, mileage, and travel allowances paid under this subsection shall be paid from appropriations made to the legislative council or the legislative services agency.

(Reference is to SB 344 as printed January 16, 2002.)

and when so amended that said bill do pass.

Committee Vote: yeas 8, nays 0.

SUMMERS, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Human Affairs, to which was referred Engrossed Senate Bill 374, 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.

SUMMERS, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred Engrossed Senate Bill 391, 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 25, nays 1.

BAUER, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Roads and Transportation, to which was referred Engrossed Senate Bill 401, 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 4, after "two" insert "(2)".

Page 1, line 7, delete "750" and insert "seven hundred fifty (750)".

Page 2, between lines 23 and 24, begin a new paragraph and insert:

"SECTION 4. IC 9-13-2-114.6 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: **Sec. 114.6. "Off-road vehicle" has the meaning set forth in IC 14-16-1-3.**"

Page 3, line 18, delete "does not include" and insert "includes".

Page 3, between lines 18 and 19, begin a new paragraph and insert:

"SECTION 6. IC 9-17-2-1, AS AMENDED BY P.L.181-1999, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 1. (a) Within sixty (60) days of becoming an Indiana resident, a person must obtain a certificate of title for all vehicles owned by the person that:

(1) are subject to the motor vehicle excise tax under IC 6-6-5; and

(2) are off-road vehicles and were purchased by the person after June 30, 2002, or have a certificate of title from another state;

(3) are motor scooters and were purchased by the person after June 30, 2002, or have a certificate of title from another state; or

(4) are motorized bicycles and were purchased by the person after June 30, 2002, or have a certificate of title from another state;

and will be operated in Indiana.

(b) Within sixty (60) days after becoming an Indiana resident, a person shall obtain a certificate of title for all commercial vehicles owned by the person that:

(1) are subject to the commercial vehicle excise tax under IC 6-6-5.5;

(2) are not subject to proportional registration under the International Registration Plan; and

(3) will be operated in Indiana.

(c) A person must produce evidence concerning the date on which the person became an Indiana resident.

SECTION 7. IC 9-17-2-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 5. If an application for a certificate of title is for a vehicle brought into Indiana from another state, the application must be accompanied by:

(1) the certificate of title issued for the vehicle by the other state if the other state has a certificate of title law; or

(2) a sworn bill of sale or dealer's invoice fully describing the vehicle and the most recent registration receipt issued for the vehicle if the other state does not have a certificate of title law; **or**
(3) any other information that the bureau requires, if the other state does not have a certificate of title and registration law.

SECTION 8. IC 9-17-2-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 6. (a) **This section does not apply to a motor vehicle requiring a title under section 1(a)(2), 1(a)(3), or 1(a)(4) of this chapter.**

(b) A certificate of title issued for a vehicle that is required to be registered under this title at a declared gross weight of sixteen thousand (16,000) pounds or less must contain the odometer reading of the vehicle in miles or kilometers as of the date of sale or transfer of the vehicle.

(b) (c) A person may not knowingly furnish to the bureau odometer information that does not accurately indicate the total recorded miles or kilometers on the vehicle.

(c) (d) The bureau and its license branches are not subject to a criminal or civil action by a person for an invalid odometer reading on a certificate of title.

SECTION 9. IC 9-17-2-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 9. (a) **This section does not apply to a motor vehicle requiring a title under section 1(a)(2), 1(a)(3), or 1(a)(4) of this chapter.**

(b) A person applying for a certificate of title must:

- (1) apply for registration of the vehicle described in the application for the certificate of title; or
- (2) transfer the current registration of the vehicle owned or previously owned by the person.

SECTION 10. IC 9-17-2-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 12. (a) As used in this section, "dealer" refers to a dealer that has:

- (1) been in business for not less than five (5) years; and
- (2) sold not less than one hundred fifty (150) motor vehicles during the preceding year.

(b) This section does not apply to the following:

- (1) A new motor vehicle or recreational vehicle sold by a dealer licensed by the state.
- (2) A motor vehicle or recreational vehicle transferred or assigned on a certificate of title issued by the bureau.
- (3) A motor vehicle that is registered under the International Registration Plan.

(4) A motor vehicle requiring a title under section 1(a)(2), 1(a)(3), or 1(a)(4) of this chapter.

(c) An application for a certificate of title for a motor vehicle or recreational vehicle may not be accepted by the bureau unless the motor vehicle or recreational vehicle has been inspected by one (1) of the following:

- (1) An employee of a dealer designated by the bureau to perform an inspection.
- (2) A military policeman assigned to a military post in Indiana.
- (3) A police officer.
- (4) A designated employee of the bureau.

(d) A person described in subsection (c) inspecting a motor vehicle, semitrailer, or recreational vehicle shall do the following:

- (1) Make a record of inspection upon the application form prepared by the bureau.
- (2) Verify the facts set out in the application.

SECTION 11. IC 9-17-2-13 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 13. (a) **This subsection does not apply to an off-road vehicle required to be registered under IC 14-16-1-8.** Except as provided in subsection (b), a person may not operate or permit to be operated upon the highways a motor vehicle, semitrailer, or recreational vehicle under an Indiana registration number unless a certificate of title has been issued under this chapter for the motor vehicle, semitrailer, or recreational vehicle.

(b) A person may operate a motor vehicle, semitrailer, or recreational vehicle upon highways without an Indiana certificate of title if the motor vehicle, semitrailer, or recreational vehicle:

(1) is:

- (A) fully titled and registered in another state; and
- (B) operating under an Indiana trip permit or temporary registration; or

(2) is registered under apportioned registration of the International Registration Plan and based in a state other than Indiana.

(c) A person who owns a motor vehicle, semitrailer, or recreational vehicle may declare Indiana as the person's base without obtaining an Indiana certificate of title if:

- (1) the person's state of residence is not a member of the International Registration Plan; and
- (2) the person presents satisfactory proof of ownership from the resident state.

(d) This subsection does not apply to a motor scooter, a motorized bicycle, or an off-road vehicle purchased before July 1, 2002. A person may not operate or permit to be operated upon the highways:

- (1) a motor scooter;**
- (2) a motorized bicycle; or**
- (3) an off-road vehicle;**

unless a certificate of title has been issued under this chapter for the motor scooter, motorized bicycle, or off-road vehicle, or unless the motor scooter, motorized bicycle, or off-road vehicle is titled in another state.

SECTION 12. IC 9-17-2-17 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: **Sec. 17. A title issued under this chapter does not relieve an owner of an off-road vehicle from any registration requirement for the off-road vehicle under IC 14-16-1."**

Page 3, delete lines 19 through 34.

Page 4, between lines 7 and 8, begin a new paragraph and insert:

"SECTION 15. IC 14-16-1-9.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: **Sec. 9.5. Registration under this chapter does not relieve an owner of an off-road vehicle from any title requirement for the off-road vehicle under IC 9-17-2."**

Page 4, delete lines 8 through 42.

Page 5, delete lines 1 through 11.

Re-number all SECTIONS consecutively.

(Reference is to SB 401 as reprinted January 29, 2002.)

and when so amended that said bill do pass.

Committee Vote: yeas 12, nays 0.

COOK, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred Engrossed Senate Bill 405, 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 23, nays 0.

BAUER, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred Engrossed Senate Bill 429, 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 23, nays 0.

BAUER, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Public Health, to which was referred Engrossed Senate Bill 458, 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 5-10-8-10, AS ADDED BY P.L.91-1999, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 10. (a) The state shall cover the testing required under IC 16-41-6-4 and the examinations required under IC 16-41-17-2 under a:

- (1) self-insurance program established or maintained under section 7(b) of this chapter to provide group health coverage; and
- (2) contract entered into or renewed under section 7(c) of this chapter to provide health services through a prepaid health care delivery plan.

(b) Payment to a hospital for a test required under IC 12-15-15-4.5 must be in an amount equal to the hospital's actual cost of performing the test.

SECTION 2. IC 12-15-15-4.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 4.5. Payment to a hospital for a test required under IC 16-41-6-4 must be in an amount equal to the hospital's actual cost of performing the test. The total cost to the state may not be more than twenty-four thousand dollars (\$24,000)."

Page 6, between lines 20 and 21, begin a new paragraph and insert:

"SECTION 12. IC 16-41-6-12 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 12. The state department shall adopt rules under IC 4-22-2 to establish standards to be used by individuals described in section 9(a) of this chapter to provide to women who are pregnant, before delivery, at delivery, and after delivery, information concerning HIV. The rules must include:

- (1) an explanation of the nature of AIDS and HIV;
- (2) information concerning discrimination and legal protections;
- (3) information concerning the duty to notify persons at risk as described in IC 16-41-7-1;
- (4) information about risk behaviors for HIV transmission;
- (5) information about the risk of transmission through breast feeding;
- (6) notification that if the woman chooses not to be tested for HIV before delivery, at delivery the child will be tested subject to section 4 of this chapter;
- (7) procedures for obtaining informed, written consent for testing under this chapter;
- (8) procedures to inform the woman of the test results whether they are positive or negative;
- (9) procedures for post-test counseling by a health care provider when the test results are communicated to the woman, whether the results are positive or negative;
- (10) procedures for referral for physical and emotional services if the test results are positive;
- (11) procedures for explaining the importance of immediate entry into medical care if the test results are positive;
- (12) procedures for explaining the side effects of any treatment if the test results are positive;
- (13) procedures for explaining that giving birth by caesarean section may lessen the likelihood of passing on the HIV virus to the child during childbirth, especially when done in combination with medications if the test results are positive; and
- (14) procedures that provide that if the mother refused testing for the newborn, and the newborn was tested with positive results, the mother must be notified of the positive test within forty-eight (48) hours after the test.

SECTION 13. IC 16-41-6-13 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 13. (a) The state department shall provide that an HIV test history and assessment form from the patient's medical records or an interview with the patient

must be filled out. The state department shall develop the form to determine if:

- (1) the patient is HIV positive and has been informed; or
- (2) the patient was tested during the current pregnancy and tested negative or was not tested during the current pregnancy and the HIV status is unknown.

(b) The form required under subsection (a) must identify what special support or assistance for continued medical care the patient might need as a result of a positive test.

(c) The form must be in triplicate, with one (1) copy going into the patient's medical file, one (1) copy going into the baby's medical file, and one (1) copy going to the doctor in the hospital designated to administer the newborn HIV testing program.

(d) The state department must maintain a systemwide evaluation of prenatal HIV testing in Indiana. The HIV test history and assessment form and a newborn blood screening form shall be prescribed by the state department. The state department shall remove all identifying information from the maternal test history before the state department performs its analyses and not maintain HIV test history data with identifying information.

SECTION 14. IC 16-41-6-14 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 14. (a) Women who:

- (1) meet the financial qualifications to participate in Medicaid, the children's health insurance program, the AIDS drug assistance program, the health insurance assistance program, or any other health care program of the state; and
- (2) test positive under section 5, 6, or 7 of this chapter;

shall be automatically approved and accepted into the Medicaid program, the children's health insurance program, the AIDS drug assistance program (ADAP), the health insurance assistance program, or any other health care program of the state.

(b) Women who qualify under this section may not be placed on a waiting list for services, and they remain eligible until they either cease to meet the financial qualifications under subsection (a) or no longer test positive for HIV.

(c) An individual described in section 9(a) of this chapter who can no longer provide care for a woman described in subsection (a) must continue to provide care for the woman until another provider is found to continue care for the woman.

(d) Before October 1, 2002, the office of Medicaid policy and planning shall apply to the United States Department of Health and Human Services for approval of any necessary waivers under the federal Medicaid program and the children's health insurance program to provide for expanded eligibility for women under this chapter.

(e) The office of Medicaid policy and planning may not implement a waiver described in subsection (d) until the office files an affidavit with the governor attesting that the federal waiver applied for under this section is in effect. The office shall file the affidavit under this subsection not later than five (5) days after the office is notified that the waiver is approved.

(f) If the office receives a waiver under this section from the United States Department of Health and Human Services and the governor receives the affidavit filed under subsection (e), the office of Medicaid policy and planning shall implement the waiver not more than sixty (60) days after the governor receives the affidavit.

SECTION 15. IC 27-8-24-4, AS AMENDED BY P.L.91-1999, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 4. (a) Except as provided in section 5 of this chapter, every policy or group contract that provides maternity benefits must provide minimum benefits to a mother and her newborn child that cover:

- (1) a minimum length of postpartum stay at a hospital licensed under IC 16-21 that is consistent with the minimum postpartum hospital stay recommended by the American Academy of Pediatrics and the American College of Obstetricians and Gynecologists in their Guidelines for Perinatal Care; and

(2) the examinations to the newborn child required under IC 16-41-17-2; and

(3) the testing of the newborn child required under IC 16-41-6-4.

(b) Payment to a hospital for a test required under IC 16-41-6-4 must be in an amount equal to the hospital's actual cost of performing the test."

Renumber all SECTIONS consecutively.

(Reference is to SB 458 as printed January 30, 2002.)

and when so amended that said bill do pass.

Committee Vote: yeas 12, nays 0.

C. BROWN, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred Engrossed Senate Bill 459, 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 9, delete "chief justice of" and insert "**speaker of the house of representatives.**".

Page 2, delete line 10.

Page 2, line 11, delete "One (1) representative" and insert "**The executive director**".

Page 2, line 11, delete "appointed by" and insert "**or the executive director's designee.**".

Page 2, delete line 12.

Page 2, between lines 12 and 13, begin a new line block indented and insert:

"(9) One (1) person employed by a nonprofit organization that addresses delinquency and juvenile justice issues, to be appointed by the president pro tempore of the senate.

(10) One (1) representative of a probation department, to be appointed by the president pro tempore of the senate.

(11) The director of the Indiana criminal justice institute, or the director's designee.

(12) One (1) representative of a law enforcement agency, to be appointed by the speaker of the house of representatives."

(Reference is to SB 459 as printed January 18, 2002.)

and when so amended that said bill do pass.

Committee Vote: yeas 22, nays 0.

BAUER, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred Engrossed Senate Bill 462, 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 34, delete "exemption" and insert "**credit**".

Page 4, line 17, delete "applicant intends to:" and insert "**applicant:**".

Page 4, line 18, after "(A)" insert "**intends to**".

Page 4, line 23, delete "retain" and insert "**retains**".

Page 4, line 24, delete "two" and insert "**six**".

Page 4, line 24, delete "(1,200)" and insert "**(1,600)**".

Page 4, line 36, delete "exemption" and insert "**credit**".

Page 5, line 12, delete "exemption" and insert "**credit**".

Page 5, line 14, delete "exemption" and insert "**credit**".

Page 5, delete lines 16 through 21, begin a new paragraph and insert:

"Sec. 10. (a) A high impact business is entitled to a credit against the business's property tax liability under IC 6-1.1-2 for a particular year following the designating body's adoption of a resolution taking final action under section 8 of this chapter.

(b) A certified copy of the resolution shall be sent to the county auditor, who shall grant the credit as provided in section

11 of this chapter.

(c) A high impact business may not claim a credit under section 11 of this chapter for more than ten (10) years."

Page 5, line 23, delete "exemption" and insert "**credit**".

Page 5, line 24, delete "exemption" and insert "**credit**".

Page 5, line 26, delete "exemption" and insert "**credit**".

Page 5, line 31, delete "exemption" and insert "**credit**".

Page 5, line 36, delete "exemption" and insert "**credit**".

Page 5, line 39, delete "exemption." and insert "**credit**".

Page 6, line 1, delete "exemption" and insert "**credit**".

Page 6, line 3, delete "exemption." and insert "**credit**".

Page 6, line 4, after "tax" delete "exemption" and insert "**credit**".

Page 6, line 4, after "of the" delete "exemption" and insert "**credit**".

Page 7, line 8, delete "exemption" and insert "**credit**".

Page 7, line 10, after "occurs" insert "**more than ten (10) years**".

Page 7, line 10, after "after" insert "**the first year in which the high impact business claimed a property tax credit under section 11 of this chapter.**".

Page 7, delete lines 11 through 12.

Page 7, line 14, delete "exemption" and insert "**credit**".

Page 7, line 16, delete "exemption" and insert "**credit**".

Page 7, line 25, delete "exemption" and insert "**credit**".

Page 7, line 29, delete "exemption" and insert "**credit**".

Page 7, line 35, delete "exemption." and insert "**credit**".

Page 7, line 36, delete "exemption" and insert "**credit**".

Page 8, line 7, delete "exemption" and insert "**credit**".

Page 8, line 14, after "of" insert "**property tax credits received by**".

Page 8, line 15, delete "owner's property taxes that were exempted" and insert "**owner**".

Page 8, line 19, after "of the" insert "**first**".

Page 8, line 20, delete "owner's" and insert "**owner received a**".

Page 8, line 20, delete "exemption" and insert "**credit**".

Page 8, line 21, delete "chapter commenced." and insert "**chapter.**".

Page 8, line 31, delete "exemption." and insert "**credit**".

Page 8, line 34, delete "exemption" and insert "**credit**".

Page 8, line 35, delete "additional".

Page 8, line 36, delete "would have been" and insert "**were**".

Page 8, line 37, delete "unit if the property tax exemption had not" and insert "**unit**".

Page 8, delete line 38.

Page 9, line 4, delete "exemption" and insert "**credit**".

Page 9, line 12, delete "exemption" and insert "**credit**".

Page 9, line 36, delete "exemption" and insert "**credit**".

Page 9, line 38, delete "additional".

Page 9, line 38, delete "would" and insert "**were**".

Page 9, line 39, delete "have been".

Page 9, line 39, delete "owner if the" and insert "**owner.**".

Page 9, delete line 40.

Page 10, line 5, delete "exemption" and insert "**credit**".

Page 10, line 9, delete "exemption" and insert "**credit**".

Page 10, line 11, delete "additional".

Page 10, line 11, delete "would" and insert "**were**".

Page 10, line 12, delete "have been".

Page 10, line 13, delete "unit if the exemption had not been in effect." and insert "**unit**".

Page 10, line 21, after "payable" insert "**in the year immediately following the year in which at least eighty percent (80%) of taxpayers subject as of June 30, 2002, to the property tax on inventory do not pay property tax on inventory assessed under IC 6-1.1-3.**".

Page 10, delete line 22.

(Reference is to SB 462 as printed January 18, 2002.)

and when so amended that said bill do pass.

Committee Vote: yeas 25, nays 0.

BAUER, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred Engrossed Senate Bill 469, 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 25, nays 0.

BAUER, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Roads and Transportation, to which was referred Engrossed Senate Bill 481, 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, after line 7, begin a new paragraph and insert:

"SECTION 2. IC 9-20-5-4, AS AMENDED BY P.L.79-2000, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 4. In addition to the highways established and designated as heavy duty highways under section 1 of this chapter, the following highways are designated as extra heavy duty highways:

- (1) Highway 41, from 129th Street in Hammond to Highway 312.
- (2) Highway 312, from Highway 41 to ~~Highway 12~~ **State Road 912**.
- (3) Highway 912, from Michigan Avenue in East Chicago to ~~Highway 12~~ **the U.S. 20 interchange**.
- ~~(4) Highway 12, from Highway 912 to Clark Road in Gary.~~
- ~~(5) (4) Highway 20, from Clark Road in Gary to Highway 39.~~
- ~~(6) (5) Highway 12, from one-fourth (1/4) mile west of the Midwest Steel entrance to Highway 249.~~
- ~~(7) (6) Highway 249, from Highway 12 to Highway 20.~~
- ~~(8) (7) Highway 12, from one and one-half (1 1/2) miles east of the Bethlehem Steel entrance to Highway 149.~~
- ~~(9) (8) Highway 149, from Highway 12 to a point thirty-six one hundredths (.36) of a mile south of Highway 20.~~
- ~~(10) (9) Highway 39, from Highway 20 to the Michigan state line.~~
- ~~(11) (10) Highway 20, from Highway 39 to Highway 2.~~
- ~~(12) (11) Highway 2, from Highway 20 to Highway 31.~~
- ~~(13) (12) Highway 31, from the Michigan state line to Highway 23.~~
- ~~(14) (13) Highway 23, from Highway 31 to Olive Street in South Bend.~~
- ~~(15) (14) Highway 35, from South Motts Parkway thirty-four hundredths (.34) of a mile southeast to the point where Highway 35 intersects with the overpass for Highway 20/Highway 212.~~
- ~~(16) (15) State Road 249 from U.S. 12 to the point where State Road 249 intersects with Nelson Drive at the Port of Indiana.~~
- ~~(17) (16) State Road 912 from the 15th Avenue and 169th Street interchange one and six hundredths (1.06) miles north to the U.S. 20 interchange.~~
- ~~(18) (17) U.S. 20 from the State Road 912 interchange three and seventeen hundredths (3.17) miles east to U.S. 12."~~

(Reference is to SB 481 as printed January 25, 2002.) and when so amended that said bill do pass.

Committee Vote: yeas 12, nays 0.

COOK, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred Engrossed Senate Bill 488, 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 3, line 21, delete "IC 25-41-3-1." and insert "**IC 22-15-5-7**."

Page 3, between lines 24 and 25, begin a new paragraph and insert:

"SECTION 4. IC 22-12-2-2, AS AMENDED BY P.L.1-1999, SECTION 56, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 2. (a) The commission consists of ~~eighteen (18)~~ **nineteen (19)** voting members and two (2) nonvoting members. The governor shall appoint ~~sixteen (16)~~ **seventeen (17)** voting members to the commission, each to serve a term of four (4) years. The state health commissioner or the commissioner's designee shall serve as a voting member of the commission, and the commissioner of labor or the commissioner's designee shall serve as a voting member of the commission. The state fire marshal and the state building commissioner shall serve as nonvoting members of the commission.

(b) Each appointed member of the commission must have a recognized interest, knowledge, and experience in the field of fire prevention, fire protection, building safety, or other related matters.

(c) The appointed members of the commission must include the following:

- (1) One (1) member of a ~~professional~~ paid fire department.
- (2) One (1) member of a volunteer fire department.
- (3) One (1) individual in the field of fire insurance.
- (4) One (1) individual in the fire service industry.
- (5) One (1) individual in the manufactured housing industry.
- (6) One (1) individual in the field of fire protection engineering.
- (7) One (1) professional engineer.
- (8) One (1) building contractor.
- (9) One (1) individual in the field of building one (1) and two (2) family dwellings.
- (10) One (1) registered architect.
- (11) One (1) individual engaged in the design or construction of heating, ventilating, air conditioning, or plumbing systems.
- (12) One (1) individual engaged in the design or construction of regulated lifting devices.
- (13) One (1) building commissioner of a city, town, or county.
- (14) One (1) individual in an industry that operates regulated amusement devices.
- (15) One (1) individual who is knowledgeable in accessibility requirements and who has personal experience with a disability.
- (16) One (1) individual who represents owners, operators, and installers of underground and aboveground motor fuel storage tanks and dispensing systems.
- (17) One (1) individual in the masonry trades.**

(d) Not more than ~~nine (9)~~ **ten (10)** of the appointed members of the commission may be affiliated with the same political party.

(e) An appointed member of the commission may not serve more than two (2) consecutive terms. However, any part of an unexpired term served by a member filling a vacancy does not count toward this limitation.

SECTION 5. IC 22-12-2-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 6. (a) The commission shall meet at least quarterly.

(b) A quorum of the commission consists of ten (10) voting members. IC 4-21.5-3-3 applies to a commission action governed by IC 4-21.5. The commission may take other actions by an affirmative vote of:

- (1) nine (9) members, if less than ~~eighteen (18)~~ **nineteen (19)** voting members are present and voting on the action; or
- (2) ten (10) members, if ~~eighteen (18)~~ **nineteen (19)** members are present and voting on the action.

(c) In the case of a tie vote on an action of the commission, the deciding vote shall be cast by the:

- (1) state fire marshal, in even-numbered years; or
- (2) state building commissioner, in odd-numbered years.

SECTION 6. IC 22-12-6-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 6. (a) The commission may adopt rules under IC 4-22-2 setting a fee schedule for the following:

- (1) Fireworks display permits issued under IC 22-11-14-2.
- (2) Explosives magazine permits issued under IC 22-14-4.
- (3) Design releases issued under IC 22-15-3.
- (4) Certification of industrialized building systems and mobile structures under IC 22-15-4.

(5) Inspection of regulated amusement devices under IC 22-15-7.

(6) Application fees for variance requests under IC 22-13-2-11 and inspection fees for exemptions under IC 22-13-4-5.

(7) Permitting and inspection of regulated lifting devices under IC 22-15-5.

(8) Permitting and inspection of regulated boiler and pressure vessels under IC 22-15-6.

(9) Licensing of:

(A) boiler and pressure vessel inspectors under IC 22-15-6-5; and

(B) an owner or user boiler and pressure vessel inspection agency under IC 22-15-6-6.

(10) Licensing of elevator contractors, elevator inspectors, and elevator mechanics under IC 22-15-5-6 through IC 22-15-5-16.

(b) Fee schedules set under this section must be sufficient to pay all of the costs, direct and indirect, that are payable from the fund into which the fee must be deposited, after deducting other money deposited in the fund. In setting these fee schedules, the commission may consider differences in the degree or complexity of the activity being performed for each fee.

(c) The fee schedule set for design releases issued under subsection (a)(3) may not be changed more than one (1) time each year. The commission may include in this fee schedule a fee for the review of plans and specifications and, if a political subdivision does not have a program to periodically inspect the construction covered by the design release, a fee for inspecting the construction.

(d) The fee schedule set under subsection (a) for design releases may provide that a portion of the fees collected shall be deposited in the statewide fire and building safety education fund established under section 3 of this chapter."

Page 4, between lines 17 and 18, begin a new paragraph and insert:

"SECTION 6. IC 22-13-2-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE APRIL 1, 2003]: Sec. 10. (a) A county, city, or town may regulate regulated lifting devices if the unit's regulatory program is approved by the commission.

(b) A unit must submit its ordinances and other regulations that regulate lifting devices to the commission for approval. The ordinance or other regulation is not effective until it is approved by the commission. If any of these ordinances or regulations conflict with the commission's rules, the commission's rules supersede the local ordinance or other regulation.

(c) A unit may issue permits only to applicants who qualify under IC 22-15-5. However, the unit may specify a lesser fee than that set in ~~IC 22-12-6-9~~ under IC 22-12-6-6(a)(7).

(d) A unit must inspect regulated lifting devices with inspectors who possess the qualifications necessary to be employed by the office of the state building commissioner as a regulated lifting device inspector."

Page 4, delete lines 18 through 24.

Page 5, line 29, delete "construction, erection,".

Page 5, line 29, after "installation" delete ",".

Page 6, line 6, strike "IC 22-12-6-9." and insert "IC 22-12-6-6(a)(7)."

Page 6, line 8, delete "IC 25-41-3." and insert "IC 22-15-5-7."

Page 6, between lines 15 and 16, begin a new paragraph and insert:

"(e) The regulated lifting device must be installed or altered under the direction and control of a licensed contractor. The elevator contractor does not have to be present at the site."

Page 6, line 16, delete "(e)" and insert "(f)".

Page 7, line 9, delete "erects, constructs,".

Page 7, line 9, after "installs" delete ",".

Page 7, line 11, delete "IC 25-41-3, IC 25-41-4, or IC 25-41-5." and insert "IC 22-15-5-7, IC 22-15-5-8, IC 22-15-5-9, IC 22-15-5-10, IC 22-15-5-11, or IC 22-15-5-12."

Page 7, line 15, delete "IC 25-41-5." and insert "IC 22-15-5-12."

Page 7, line 19, delete "erected, constructed,".

Page 7, line 19, after "installed" delete ",".

Page 7, line 23, delete "erected, constructed,".

Page 7, line 23, after "installed" delete ",".

Page 7, line 25, delete "erection, construction,".

Page 8, line 20, strike "IC 22-12-6-9;" and insert "IC 22-12-6-6(a)(7);".

Page 8, line 31, delete "IC 22-12-6-9." and insert "IC 22-12-6-6(a)(7)."

Page 8, line 36, strike "IC 22-12-6-9" and insert "IC 22-12-6-6(a)(7)".

Page 9, delete lines 7 through 42, begin a new paragraph and insert:

"(i) A licensed elevator mechanic shall perform the maintenance on a regulated lifting device.

SECTION 15. IC 22-15-5-6 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 6. (a) The following definitions apply to sections 7 through 16 of this chapter:

(1) "Competency examination" means an examination that thoroughly tests the scope of the knowledge and skill of the applicant for the license.

(2) "Educational institution" has the meaning set forth in IC 20-12-0.5-1.

(3) "Elevator apprentice" means an individual who works under the direct supervision of a licensed elevator mechanic. The term includes an individual commonly known as an elevator helper while working under the direct supervision of a licensed elevator mechanic.

(4) "Elevator contractor" means a person who by himself or herself or with other persons, constructs, repairs, alters, remodels, adds to, subtracts from, or improves a regulated lifting device and who is responsible for substantially all the regulated lifting device within the entire project, or who fabricates elevator lifting devices substantially completed and ready for installation.

(5) "Elevator inspector" means an individual who conducts the acceptance inspection of a regulated lifting device required by section 4(c)(1)(A) of this chapter.

(6) "Elevator mechanic" means an individual who engages in the construction, reconstruction, alteration, maintenance, mechanical, or electrical work or adjustments of a regulated lifting device.

(7) "License" means a certificate issued by the department that confers upon the holder the privilege to act as an elevator contractor, elevator inspector, or elevator mechanic.

(8) "Licensing program" means the program for licensing elevator contractors, elevator inspectors, and elevator mechanics established under this section and sections 7 through 13 of this chapter.

(9) "Municipality" has the meaning set forth in IC 36-1-2-11.

(10) "Person" means:

(A) a natural person;

(B) the partners or members of a partnership or a limited partnership;

(C) an educational institution; or

(D) a corporation or the officers, directors, and employees of the corporation.

(11) "Practitioner" means a person that holds:

(A) an unlimited license;

(B) a limited or probationary license;

(C) a temporary license;

(D) an emergency license; or

(E) an inactive license.

(b) The commission and the department shall establish a program to license elevator contractors, elevator mechanics, and elevator inspectors.

(c) The department shall issue licenses as elevator contractors, elevator mechanics, and elevator inspectors to a person who qualifies and complies with the provisions of the licensing program. A person who receives a license under this chapter is subject to the supervision and control of the department.

(d) The department may contract with public and private institutions, agencies, businesses, and organizations to implement all or part of its duties established under this chapter.

(e) The commission may adopt rules under IC 4-22-2 to implement the licensing program.

SECTION 16. IC 22-15-5-7 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 7. (a) An individual may not act as an elevator contractor unless the individual:

(1) holds an elevator contractor license issued under this chapter; or

(2) is an employee of a partnership, a limited partnership, a corporation, or an educational institution that holds an elevator contractor license issued under this chapter.

(b) A partnership, a limited partnership, a corporation, or an educational institution may not act as an elevator contractor unless it holds an elevator contractor license issued under this chapter.

(c) An individual who is an applicant for an elevator contractor license shall:

(1) hold a valid elevator contractor license issued by another state that has a licensing program that, as determined by the department or the commission, is equivalent to the elevator contractor licensing program established under this chapter; or

(2) except as otherwise provided, satisfy both of the following requirements:

(A) Have at least five (5) years of documented work experience in the elevator industry in construction, maintenance, and service or repair in Indiana.

(B) Successfully complete a written competency examination approved by the commission.

An applicant for an elevator contractor license is entitled to a license without examination if the applicant applies for the license before March 2, 2003.

(d) A corporation or an educational institution that is an applicant for an elevator contractor license must have at least one (1) officer or employee of the corporation or an educational institution that holds a valid elevator contractor license issued under this chapter. A license granted to a corporation or an educational institution to act as an elevator contractor under this chapter becomes invalid when an officer or employee of the corporation or educational institution no longer holds a valid elevator contractor license issued under this chapter.

(e) A partnership or limited partnership that is an applicant for an elevator contractor license must have at least one (1) partner or general partner that holds a valid elevator contractor license issued under this chapter. A license granted to a partnership or limited partnership to act as an elevator contractor under this chapter becomes invalid when the partner of a partnership or general partner of a limited partnership named in the application no longer holds a valid elevator contractor license as provided by this chapter.

SECTION 17. IC 22-15-5-8 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 8. (a) An applicant for an initial elevator contractor license must do the following:

(1) Submit to the department an application on the form that the department provides.

(2) Submit to the department any proof of eligibility the department requires.

(3) Demonstrate proof of insurance as required by section 11 of this chapter.

(4) Demonstrate proof of worker's compensation coverage under IC 22-3-2-5.

(5) Pay the license fee established under IC 22-12-6-6. The license fee is nonrefundable and must be paid each time an applicant submits an application or applies to take the examination.

(6) Affirm under penalty of perjury that all information provided to the department is true to the best of the applicant's knowledge and belief.

(b) An applicant for a renewal elevator contractor license must do the following:

(1) Submit an application on the form that the department provides.

(2) Submit proof of completion of the continuing education required by section 12 of this chapter.

(3) Demonstrate proof of insurance as required by section 14 of this chapter.

(4) Demonstrate proof of worker's compensation coverage under IC 22-3-2-5.

(5) Pay the license fee established under IC 22-12-6-6. The license fee is nonrefundable and must be paid each time an applicant submits an application.

(6) Affirm under penalty of perjury that all information provided to the department is true to the best of the applicant's knowledge and belief.

SECTION 18. IC 22-15-5-9 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 9. (a) An application for an elevator contractor license must contain the following information:

(1) If the applicant is an individual, the name, business address, telephone number, and electronic mail address of the applicant.

(2) If the applicant is a corporation or an educational institution, the following:

(A) The name and address of the corporation.

(B) The name, business address, phone number, and electronic mail address of every officer or employee in the corporation who holds a valid elevator contractor license as provided by this chapter.

(C) The name and address of the resident agent of the corporation.

(3) If the applicant is a partnership or limited partnership, the following:

(A) The name and address of the partnership or limited partnership.

(B) The name, business address, phone number, and electronic mail address of every partner, for a partnership, or every general partner, for a limited partnership, who holds a valid elevator contractor license as provided by this chapter.

(4) Any other information the department requires.

(b) An initial elevator contractor license issued under this chapter expires on December 31 of the second year after it was issued.

(c) A renewal of an elevator contractor license is valid for two (2) years.

SECTION 19. IC 22-15-5-10 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 10. An individual engaged in the business of an elevator contractor shall carry:

(1) the individual's license; or

(2) a facsimile of the license of the partnership, corporation, or educational institution by which the individual is employed;

and present the license for inspection by a representative of the department upon request.

SECTION 20. IC 22-15-5-11 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 11. (a) An individual may not act as an elevator inspector unless the individual holds an elevator inspector license issued under this chapter.

(b) An individual who is an applicant for an elevator inspector license shall meet the standards set forth in American Society of Mechanical Engineers (ASME) American National Standard QEI-1 (Standard for the Qualification of Elevator Inspectors) or other nationally accepted standard qualifying authority that the commission has determined has equivalent requirements as ASME QEI-1 for obtaining and retaining certification.

(c) An applicant for an initial elevator inspector license must do the following:

- (1) Submit to the department an application provided by the department that contains the following information:
- (A) The name, address, telephone number, and electronic mail address of the applicant.
 - (B) Any other information the department requires.
- (2) Submit to the department any proof of eligibility the department requires.
- (3) Demonstrate proof of insurance as required by section 14 of this chapter.
- (4) Pay the license fee established under IC 22-12-6-6. The license fee is nonrefundable and must be paid each time an applicant submits an application.
- (5) Affirm under penalty of perjury that all information provided to the department is true to the best of the applicant's knowledge and belief.
- (d) An applicant for a renewal elevator inspector license shall:
- (1) Submit to the department an application provided by the department that contains the following information:
 - (A) The name, address, telephone number, and electronic mail address of the applicant.
 - (B) Any other information the department requires.
 - (2) Submit proof of completion of the continuing education required by section 15 of this chapter.
 - (3) Demonstrate proof of insurance as required by section 11 of this chapter.
 - (4) Pay the license fee established under IC 22-12-6-6. The license fee is nonrefundable and must be paid each time an applicant submits an application.
 - (5) Affirm under penalty of perjury that all information provided to the department is true to the best of the applicant's knowledge and belief.
- (e) An initial elevator inspector license issued under this chapter expires on December 31 of the second year after the license was issued.
- (f) A renewal of an elevator inspector license is valid for two (2) years.
- (g) An individual who engages in the business of an elevator inspector shall carry the individual's license and present the license for inspection by a representative of the department upon request.
- (h) If the QEI-1 certification or other certification standard approved by the commission that made the individual eligible for an inspector license under subsection (b):
- (1) is terminated;
 - (2) expires; or
 - (3) becomes invalid for any other reason;
- the elevator inspector's license immediately becomes invalid.
- SECTION 21. IC 22-15-5-12 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 12. (a) An individual may not act as an elevator mechanic unless the individual holds an elevator mechanic license issued under this chapter. A license is not required for an elevator apprentice.
- (b) An individual who is an applicant for an elevator mechanic license must meet one (1) of the following eligibility criteria:
- (1) Hold an active elevator mechanic license issued by a state that has a licensing program that is at least equivalent to the elevator mechanic licensing program established under this chapter.
 - (2) Satisfy both of the following:
 - (A) Have at least one (1) of the following types of work experience or training:
 - (i) Have at least three (3) years of documented work experience in the elevator industry in construction, maintenance, and service or repair.
 - (ii) Have at least eighteen (18) months experience in the elevator industry in construction, maintenance, and service or repair and have at least three (3) years experience in a related field that is certified by a licensed elevator contractor.
 - (iii) Complete an apprenticeship program that is registered with the Bureau of Apprenticeship and

Training of the United States Department of Labor or a state apprenticeship program and that the commission determines is at least equivalent to three (3) years of work experience in the elevator industry in construction, maintenance, and service or repair.

- (B) Successfully complete a written competency examination approved by the commission.
 - (3) Successfully complete an elevator mechanic's program that consists of a combination of extensive training and a comprehensive examination that the commission has determined is at least equivalent to both the work experience required under subdivision (2)(A)(i) and the competency examination established under subdivision (2)(B).
 - (4) Furnish acceptable proof to the department of:
 - (A) at least three (3) years work experience in the elevator industry in construction, maintenance, service or repair; and
 - (B) current performance of the duties of an elevator mechanic in Indiana without direct supervision; and apply for the license on or before March 1, 2003.
- (c) An applicant for an initial elevator mechanic license must do the following:
- (1) Submit to the department an application provided by the department that contains the following information:
 - (A) The name, business address, telephone number, and electronic mail address of the applicant.
 - (B) Any other information the department requires.
 - (2) Submit to the department any proof of eligibility the department requires.
 - (3) Pay the nonrefundable and nontransferable license fee established under IC 22-12-6-6.
 - (4) Affirm under penalty of perjury that all information provided to the department is true to the best of the applicant's knowledge and belief.
- (d) An applicant for a renewal elevator mechanic license must do the following:
- (1) Submit to the department an application provided by the department that contains the following information:
 - (A) The name, business address, telephone number, and electronic mail address of the applicant.
 - (B) Any other information the department requires.
 - (2) Submit proof of completion of the continuing education required by section 15 of this chapter.
 - (3) Pay the nonrefundable and nontransferable license fee established under IC 22-12-6-6.
 - (4) Affirm under penalty of perjury that all information provided to the department is true to the best of the applicant's knowledge and belief.
- (e) An initial elevator mechanic license issued under this chapter expires on December 31 of the second year after the license was issued.
- (f) A renewal of an elevator mechanic license is valid for two (2) years.
- (g) An individual engaged in the business of an elevator mechanic shall carry the individual's license and present the license for inspection by a representative of the department upon request.
- SECTION 22. IC 22-15-5-13 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 13. (a) A temporary elevator mechanic license may be issued by the department upon receipt of the following:
- (1) A certification by a licensed elevator contractor that the contractor is unable to secure, despite the contractor's best efforts, licensed elevator mechanics to perform construction, maintenance, or service and repair of elevators.
 - (2) An application on the form that the department provides.
 - (3) A certification by the licensed elevator contractor that the individual to receive the temporary license possesses

sufficient documented experience and education to perform elevator construction, maintenance, or service and repair.

(4) A temporary mechanic license fee established under IC 22-12-6-6. The license fee is nonrefundable and must be paid each time an applicant submits an application.

(5) An affirmation under penalty of perjury made by both the individual who would receive the temporary license and the licensed elevator contractor that all information provided to the department is true to the best of their knowledge and belief.

(b) A temporary elevator mechanic license is valid for sixty (60) days after the date of issuance and is valid only for work performed for the licensed elevator contractor that has made the certifications under subsection (a).

(c) A temporary elevator mechanic license issued under this section may be renewed for two (2) subsequent sixty (60) day periods. To renew the license, the license holder must submit:

(1) A certification by a licensed elevator contractor that the contractor is unable to secure, despite the contractor's best efforts, licensed elevator mechanics to perform construction, maintenance, or service and repair of elevators.

(2) An application on the form that the department provides.

(3) A temporary mechanic license renewal fee established under IC 22-12-6-6. The license fee is nonrefundable and must be paid each time an applicant submits an application.

(4) An affirmation by both the individual that would receive the temporary license and the licensed elevator contractor under penalty of perjury that all information provided to the department is true to the best of their knowledge and belief.

(d) An emergency elevator mechanic license may be issued by the department upon receipt of the following:

(1) A certification by a licensed elevator contractor that the contractor is unable to secure, despite the contractor's best efforts, licensed elevator mechanics to perform construction, maintenance, or service and repair of elevators due to a disaster (as defined in IC 10-4-1-3).

(2) An application on the form that the department provides.

(3) A certification by the licensed elevator contractor that the individual to receive the temporary license possesses sufficient documented experience and education to perform elevator construction, maintenance, or service and repair.

(4) An emergency mechanic license fee established under IC 22-12-6-6. The license fee is nonrefundable and must be paid each time an applicant submits an application.

(5) An affirmation by both the individual that would receive the temporary license and the licensed elevator contractor under penalty of perjury that all information provided to the department is true to the best of their knowledge and belief.

(e) An emergency elevator mechanic license is valid for sixty (60) days after the date of issuance and is valid only for work performed for the licensed elevator contractor that has made the certifications under subsection (d).

(f) An emergency elevator mechanic license issued under this section may be renewed for two (2) subsequent sixty (60) day periods. To renew the license, the license holder must submit the following:

(1) A certification by a licensed elevator contractor that the contractor is unable to secure, despite the contractor's best efforts, licensed elevator mechanics to perform construction, maintenance, or service and repair of elevators.

(2) An application on the form that the department provides.

(3) An emergency mechanic license renewal fee established under IC 22-12-6-6. The license fee is nonrefundable and

must be paid each time an applicant submits an application.

(4) An affirmation by both the individual who would receive the emergency license and the licensed elevator contractor under penalty of perjury that all information provided to the department is true to the best of their knowledge and belief.

SECTION 23. IC 22-15-5-14 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 14. (a) This section does not apply to the following:

(1) An individual employed by the following:

(A) The state.

(B) A county.

(C) A municipality.

(D) An educational institution.

(2) An educational institution.

(b) The department may not issue an elevator inspector or elevator contractor license until the applicant has filed with the department a certificate of insurance indicating that the applicant has liability insurance:

(1) in effect with an insurer that is authorized to write insurance in Indiana; and

(2) that provides general liability coverage to a limit of at least:

(A) one million dollars (\$1,000,000) for the injury or death of any number of persons in any one (1) occurrence; and

(B) five hundred thousand dollars (\$500,000) for property damage in any one (1) occurrence.

(c) An insurance policy required under this section may include a deductible clause if the clause provides that any settlement made by the insurance company with an injured person or a personal representative must be paid as though the deductible clause did not apply.

(d) An insurance policy required under this section must provide by the policy's original terms or an endorsement that the insurer may not cancel the policy without:

(1) thirty (30) days written notice; and

(2) a complete report of the reasons for the cancellation to the office.

(e) An insurance policy required under this section must provide by the policy's original terms or an endorsement that the insurer shall report to the department within twenty-four (24) hours after the insurer pays a claim or reserves any amount to pay an anticipated claim that reduces the liability coverage below the amounts established in this section.

(f) If an insurance policy required under this section:

(1) is canceled during the policy's term;

(2) lapses for any reason; or

(3) has the policy's coverage fall below the required amount;

the license holder shall replace the policy with another policy that complies with this section.

(g) If a license holder fails to file a certificate of insurance for new or replacement insurance, the license holder:

(1) must cease all operations under the license immediately; and

(2) may not conduct further operations until the license holder receives the approval of the department to resume operations after the license holder complies with the requirements of this section.

SECTION 24. IC 22-15-5-15 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 15. (a) This section applies only to a licensed elevator contractor who is an individual.

(b) To renew a license issued under this licensing program, the license holder must satisfy the continuing education requirement and submit a proof of completion of training to the department.

(c) The continuing education requirement is at least eight (8) hours of instruction that must be attended and completed within one (1) year before a license renewal.

(d) The continuing education courses designed to ensure the continuing education of an individual holding a license regarding new and existing provisions of the rules of the commission may include:

- (1) programs sponsored by the commission;
- (2) trade association seminars;
- (3) labor training programs; or
- (4) joint labor management apprenticeship and journeyman upgrade training programs.

For an individual's completion of a continuing education course to satisfy the individual's continuing education requirement under this chapter, the continuing education provider, instructor and the curriculum must have been approved by the department.

(e) All instructors of continuing education courses must be approved by the department. If an instructor is approved by the department, has worked as an instructor teaching a curriculum approved by the department at any time within the year preceding the expiration date of the license, and submits proof of this work to the department, the instructor is exempt from the requirements of subsection (c).

(f) Continuing education providers shall keep uniform records of attendance at approved continuing education courses for at least ten (10) years on forms designed and distributed by the department.

(g) A license holder who is unable to complete the continuing education required under this chapter before the expiration of the individual's license due to temporary physical or mental disability may apply for a waiver from the department in accordance with the following:

- (1) A waiver application must be submitted to the department on a form established by the department.
- (2) A waiver application must be signed and accompanied by an affidavit signed by the physician of the applicant attesting to the applicant's temporary disability.

(h) After the cessation of the temporary disability, the applicant must submit to the department a certification from the same physician, if the physician is still the treating physician of the applicant, or from a subsequent treating physician attesting to the termination of the temporary disability.

(i) Upon the submission of the certification under subsection (h), the department shall issue a temporary waiver of the continuing education requirement. A temporary waiver is valid for ninety (90) days after the date of issue and allows the individual to work as an elevator contractor, elevator inspector, or elevator mechanic without the completion of the continuing education requirement for ninety (90) days.

(j) A temporary waiver of the continuing education requirement may not be renewed.

SECTION 25. IC 22-15-5-16 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 16. (a) A practitioner shall comply with the standards established under this licensing program. A practitioner is subject to the exercise of the disciplinary sanctions under subsection (b) if the department finds that a practitioner has:

- (1) engaged in or knowingly cooperated in fraud or material deception in order to obtain a license to practice, including cheating on a licensing examination;
- (2) engaged in fraud or material deception in the course of professional services or activities;
- (3) advertised services or goods in a false or misleading manner;
- (4) falsified or knowingly allowed another person to falsify attendance records or certificates of completion of continuing education courses provided under this chapter.
- (5) been convicted of a crime that has a direct bearing on the practitioner's ability to continue to practice competently;
- (6) knowingly violated a state statute or rule or federal statute or regulation regulating the profession for which the practitioner is licensed;

(7) continued to practice although the practitioner has become unfit to practice due to:

- (A) professional incompetence;
- (B) failure to keep abreast of current professional theory or practice;
- (C) physical or mental disability; or
- (D) addiction to, abuse of, or severe dependency on alcohol or other drugs that endanger the public by impairing a practitioner's ability to practice safely;

(8) engaged in a course of lewd or immoral conduct in connection with the delivery of services to the public;

(9) allowed the practitioner's name or a license issued under this chapter to be used in connection with an individual or business who renders services beyond the scope of that individual's or business's training, experience, or competence;

(10) had disciplinary action taken against the practitioner or the practitioner's license to practice in another state or jurisdiction on grounds similar to those under this chapter;

(11) assisted another person in committing an act that would constitute a ground for disciplinary sanction under this chapter; or

(12) allowed a license issued by the department to be:

- (A) used by another person; or
- (B) displayed to the public when the license has expired, is inactive, is invalid, or has been revoked or suspended.

For purposes of subdivision (10), a certified copy of a record of disciplinary action constitutes prima facie evidence of a disciplinary action in another jurisdiction.

(b) The department may impose one (1) or more of the following sanctions if the department finds that a practitioner is subject to disciplinary sanctions under subsection (a):

- (1) Permanent revocation of a practitioner's license.
- (2) Suspension of a practitioner's license.
- (3) Censure of a practitioner.
- (4) Issuance of a letter of reprimand.
- (5) Assess a civil penalty against the practitioner in accordance with the following:

(A) The civil penalty may not be more than one thousand dollars (\$1,000) for each violation listed in subsection (a), except for a finding of incompetency due to a physical or mental disability.

(B) When imposing a civil penalty, the department shall consider a practitioner's ability to pay the amount assessed. If the practitioner fails to pay the civil penalty within the time specified by the department, the department may suspend the practitioner's license without additional proceedings. However, a suspension may not be imposed if the sole basis for the suspension is the practitioner's inability to pay a civil penalty.

(6) Place a practitioner on probation status and require the practitioner to:

- (A) report regularly to the department upon the matters that are the basis of probation;
- (B) limit practice to those areas prescribed by the department;
- (C) continue or renew professional education approved by the department until a satisfactory degree of skill has been attained in those areas that are the basis of the probation; or
- (D) perform or refrain from performing any acts, including community restitution or service without compensation, that the department considers appropriate to the public interest or to the rehabilitation or treatment of the practitioner.

The department may withdraw or modify this probation if the department finds after a hearing that the deficiency that required disciplinary action has been remedied or that changed circumstances warrant a modification of the order.

(c) If an applicant or a practitioner has engaged in or knowingly cooperated in fraud or material deception to obtain

a license to practice, including cheating on the licensing examination, the department may rescind the license if it has been granted, void the examination or other fraudulent or deceptive material, and prohibit the applicant from reapplying for the license for a length of time established by the department.

(d) The department may deny licensure to an applicant who has had disciplinary action taken against the applicant or the applicant's license to practice in another state or jurisdiction or who has practiced without a license in violation of the law. A certified copy of the record of disciplinary action is conclusive evidence of the other jurisdiction's disciplinary action.

(e) The department may order a practitioner to submit to a reasonable physical or mental examination if the practitioner's physical or mental capacity to practice safely and competently is at issue in a disciplinary proceeding. Failure to comply with a department order to submit to a physical or mental examination makes a practitioner liable to temporary suspension under subsection (h).

(f) Except as provided under subsection (g) or (h), a license may not be denied, revoked, or suspended because the applicant or holder has been convicted of an offense. The acts from which the applicant's or holder's conviction resulted may, however, be considered as to whether the applicant or holder should be entrusted to serve the public in a specific capacity.

(g) The department may deny, suspend, or revoke a license issued under this chapter if the individual who holds the license is convicted of any of the following:

- (1) Possession of cocaine, a narcotic drug, or methamphetamine under IC 35-48-4-6.
- (2) Possession of a controlled substance under IC 35-48-4-7(a).
- (3) Fraudulently obtaining a controlled substance under IC 35-48-4-7(b).
- (4) Manufacture of paraphernalia as a Class D felony under IC 35-48-4-8.1(b).
- (5) Dealing in paraphernalia as a Class D felony under IC 35-48-4-8.5(b).
- (6) Possession of paraphernalia as a Class D felony under IC 35-48-4-8.3(b).
- (7) Possession of marijuana, hash oil, or hashish as a Class D felony under IC 35-48-4-11.
- (8) Maintaining a common nuisance under IC 35-48-4-13.
- (9) An offense relating to registration, labeling, and prescription forms under IC 35-48-4-14.
- (10) Conspiracy under IC 35-41-5-2 to commit an offense listed in clauses (1) through (9).
- (11) Attempt under IC 35-41-5-1 to commit an offense listed in clauses (1) through (10).
- (12) An offense in any other jurisdiction in which the elements of the offense for which the conviction was entered are substantially similar to the elements of an offense described under clauses (1) through (11).

(h) The department shall deny, revoke or suspend a license or certificate issued under this chapter if the individual who holds the license or certificate is convicted of any of the following:

- (1) Dealing in cocaine, a narcotic drug, or methamphetamine under IC 35-48-4-1.
- (2) Dealing in a schedule I, II, or III controlled substance under IC 35-48-4-2.
- (3) Dealing in a schedule IV controlled substance under IC 35-48-4-3.
- (4) Dealing in a schedule V controlled substance under IC 35-48-4-4.
- (5) Dealing in a substance represented to be a controlled substance under IC 35-48-4-4.5.
- (6) Knowingly or intentionally manufacturing, advertising, distributing, or possessing with intent to manufacture, advertise, or distribute a substance represented to be a controlled substance under IC 35-48-4-4.6.
- (7) Dealing in a counterfeit substance under IC 35-48-4-5.
- (8) Dealing in marijuana, hash oil, or hashish under IC 35-48-4-10(b).

(9) Conspiracy under IC 35-41-5-2 to commit an offense listed in clauses (1) through (8).

(10) Attempt under IC 35-41-5-1 to commit an offense listed in clauses (1) through (9).

(11) An offense in any other jurisdiction in which the elements of the offense for which the conviction was entered are substantially similar to the elements of an offense described under clauses (1) through (10).

(12) A violation of any federal or state drug law or rule related to wholesale legend drug distributors licensed under IC 25-26-14.

(i) A decision of the department under subsections (b) through (h) may be appealed to the commission under IC 4-21.5-3-7.

(j) The department may temporarily suspend a practitioner's license under IC 4-21-5-4 before a final adjudication or during the appeals process if the department finds that a practitioner represents a clear and immediate danger to the public's health, safety, or property if the practitioner is allowed to continue to practice.

(k) On receipt of a complaint or an information alleging that a person licensed under this chapter has engaged in or is engaging in a practice that jeopardizes the public health, safety, or welfare, the department shall initiate an investigation against the person.

(l) Any complaint filed with the office of the attorney general alleging a violation of this licensing program shall be referred to the department for summary review and for its general information and any authorized action at the time of the filing.

(m) The department shall conduct a fact finding investigation as the department considers proper in relation to the complaint.

(n) The department may reinstate a license that has been suspended under this section if, after a hearing, the department is satisfied that the applicant is able to practice with reasonable skill, safety, and competency to the public. As a condition of reinstatement, the department may impose disciplinary or corrective measures authorized under this chapter.

(o) The department may not reinstate a license that has been revoked under this chapter. An individual whose license has been revoked under this chapter may not apply for a new license until seven (7) years after the date of revocation.

(p) The department shall seek to achieve consistency in the application of sanctions authorized in this chapter. Significant departures from prior decisions involving similar conduct must be explained in the department's findings or orders.

(q) A practitioner may petition the department to accept the surrender of the practitioner's license instead of having a hearing before the commission. The practitioner may not surrender the practitioner's license without the written approval of the department, and the department may impose any conditions appropriate to the surrender or reinstatement of a surrendered license.

(r) A practitioner who has been subjected to disciplinary sanctions may be required by the commission to pay the costs of the proceeding. The practitioner's ability to pay shall be considered when costs are assessed. If the practitioner fails to pay the costs, a suspension may not be imposed solely upon the practitioner's inability to pay the amount assessed. The costs are limited to costs for the following:

- (1) Court reporters.
- (2) Transcripts.
- (3) Certification of documents.
- (4) Photo duplication.
- (5) Witness attendance and mileage fees.
- (6) Postage.
- (7) Expert witnesses.
- (8) Depositions.
- (9) Notarizations.

SECTION 26. IC 22-15-6-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE APRIL 1, 2003]: Sec. 2. (a) The office shall conduct a program of periodic inspections of regulated boilers and pressure vessels. The office or a boiler and pressure vessel inspector acting under section 4 of this chapter shall issue a regulated

boiler and pressure vessel operating permit to an applicant who qualifies under this section.

(b) Except as provided in subsection (d), a permit issued under this section expires one (1) year after it is issued. The permit terminates if it was issued by an insurance company acting under section 4 of this chapter and the applicant ceases to insure the boiler or pressure vessel covered by the permit against loss by explosion with an insurance company authorized to do business in Indiana.

(c) To qualify for a permit under this section, an applicant must:

(1) demonstrate through an inspection that the regulated boiler or pressure vessel covered by the application complies with the rules adopted by the rules board; and

(2) pay the fee set under ~~IC 22-12-6-10~~ and ~~IC 22-12-6-11~~. **IC 22-12-6-6(a)(8).**

(d) The rules board may, by rule adopted under IC 4-22-2, specify a period between inspections of more than one (1) year. However, the rules board may not set an inspection period of greater than five (5) years for regulated pressure vessels or steam generating equipment that is an integral part of a continuous processing unit.

(e) The office may inspect a device listed under IC 22-12-1-20(b) if the owner or operator of the device requests that the office make an inspection.

SECTION 27. IC 22-15-6-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE APRIL 1, 2003]: Sec. 5. (a) The office shall issue a boiler and pressure vessel inspector license to an applicant who qualifies under this section.

(b) To qualify for a license under this section an applicant must:

(1) meet the qualifications set by the rules board in its rules;
(2) pass an examination approved by the rules board and conducted, supervised, and graded as prescribed by the rules board; and

(3) pay the fee set under ~~IC 22-12-6-13~~. **IC 22-15-6-6(a)(9).**

(c) The rules board may exempt an applicant from any part of the examination required by subsection (b) if the applicant has:

(1) a boiler and pressure vessel inspector's license issued by another state with qualifications substantially equal to the qualifications for a license under this section; or

(2) a commission as a boiler and pressure vessel inspector issued by the National Board of Boiler and Pressure Vessel Inspectors.

SECTION 28. IC 22-15-6-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE APRIL 1, 2003]: Sec. 6. (a) The office shall issue a license to act as an owner or user boiler and pressure vessel inspection agency who qualifies under this section.

(b) A license issued under this section expires if the bond required by subsection (c)(3) becomes invalid.

(c) To qualify for a license under this section an applicant must:

(1) submit the name and address of the applicant;
(2) submit proof that inspections will be supervised by one (1) or more professional engineers licensed under IC 25-31 and regularly employed by the applicant;

(3) provide a surety bond issued by a surety qualified to do business in Indiana for five thousand dollars (\$5,000), made payable to the office and conditioned upon compliance with the equipment laws applicable to inspections and the true accounting for all funds due to the office; and

(4) pay the fee set under ~~IC 22-12-6-14~~. **IC 22-12-6-6(a)(9).**

(d) A licensee under this section shall maintain with the office the most current name and address of the licensee and the name of the professional engineer supervising the licensee's inspections and notify the office of any changes within thirty (30) days after the change occurs. An inspection agency that violates this subsection is subject to a disciplinary action under IC 22-12-7.

SECTION 29. THE FOLLOWING ARE REPEALED [EFFECTIVE APRIL 1, 2003]: IC 22-12-6-9; IC 22-12-6-10; IC 22-12-6-11; IC 22-12-6-12; IC 22-12-6-13; IC 22-12-6-14.

SECTION 30. [EFFECTIVE JULY 1, 2002] **(a) Notwithstanding IC 22-15-5-7(a), as added by this act, the requirement that a person may not act as an elevator contractor unless the person holds an elevator contractor license does not apply to a person before March 1, 2003.**

(b) Notwithstanding IC 22-15-5-8(a), as added by this act, the requirement that an individual may not act as an elevator inspector unless the individual holds an elevator inspector license does not apply to an individual before March 1, 2003.

(c) Notwithstanding IC 22-15-5-12(a), as added by this act, the requirement that an individual may not act as an elevator mechanic unless the individual holds an elevator mechanic license does not apply to an individual before March 1, 2003.

(d) This SECTION expires June 30, 2003."

Delete pages 10 through 25.

Renumber all SECTIONS consecutively.

(Reference is to SB 488 as printed February 1, 2002.)

and when so amended that said bill do pass.

Committee Vote: yeas 22, nays 2.

BAUER, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred Engrossed Senate Bill 502, 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 taxation.

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

"SECTION 1. IC 6-1.1-4-4, AS AMENDED BY P.L.198-2001, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4. (a) A general reassessment, involving a physical inspection of all real property in Indiana, shall begin July 1, 2000, and each fourth year thereafter. Each reassessment shall be completed on or before March 1 of the immediately following even-numbered year and shall be the basis for taxes payable in the year following the year in which the general assessment is to be completed. **However, the general reassessment scheduled to begin under this subsection on July 1, 2000, shall be completed on or before March 1, 2003, and shall be the basis for taxes first due and payable in 2004.**

(b) In order to ensure that assessing officials and members of each county property tax assessment board of appeals are prepared for a general reassessment of real property, the ~~state board department of tax commissioners~~ **local government finance** shall give adequate advance notice of the general reassessment to the county and township taxing officials of each county.

SECTION 2. IC 6-1.1-4-32, AS ADDED BY P.L.151-2001, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 32. (a) As used in this section, "qualifying county" means a county having a population of more than four hundred thousand (400,000) but less than seven hundred thousand (700,000).

(b) Notwithstanding ~~IC 6-1.1-4-15~~ and ~~IC 6-1.1-4-17~~, **sections 15 and 17 of this chapter**, a township assessor in a qualifying county may not appraise property, or have property appraised, for the general reassessment of real property to be completed for the March 1, ~~2002~~, **2003**, assessment date. Completion of that general reassessment in a qualifying county is instead governed by this section. The only duty of:

(1) a township assessor in a qualifying county; or

(2) a county assessor of a qualifying county;

with respect to that general reassessment is to provide to the ~~state board department of tax commissioners~~ **local government finance** or the ~~state board's department's~~ **contractor** under subsection (c) any support and information requested by the ~~state board department~~ **or the contractor**.

(c) The ~~state board of tax commissioners~~ **department of local government finance** shall select and contract with a nationally recognized certified public accounting firm with expertise in the appraisal of real property to appraise property for the general reassessment of real property in a qualifying county to be completed for the March 1, ~~2002~~, **2003**, assessment date. The contract applies

for the appraisal of land and improvements with respect to all classes of real property in the qualifying county. The contract must include:

- (1) a provision requiring the appraisal firm to:
 - (A) prepare a detailed report of:
 - (i) expenditures made after July 1, 1999, and before the date of the report from the qualifying county's reassessment fund under ~~IC 6-1.1-4-28~~; **section 28.5 of this chapter**; and
 - (ii) the balance in the reassessment fund as of the date of the report; and
 - (B) file the report with:
 - (i) the legislative body of the qualifying county;
 - (ii) the prosecuting attorney of the qualifying county;
 - (iii) the ~~state board department of tax commissioners~~; **local government finance**; and
 - (iv) the attorney general;
 - (2) a fixed date by which the appraisal firm must complete all responsibilities under the contract;
 - (3) a provision requiring the appraisal firm to use the land values determined for the qualifying county under ~~IC 6-1.1-4-13.6~~; **section 13.6 of this chapter**;
 - (4) a penalty clause under which the amount to be paid for appraisal services is decreased for failure to complete specified services within the specified time;
 - (5) a provision requiring the appraisal firm to make periodic reports to the ~~state board department of tax commissioners~~; **local government finance**;
 - (6) a provision stipulating the manner in which, and the time intervals at which, the periodic reports referred to in subdivision (5) are to be made;
 - (7) a precise stipulation of what service or services are to be provided;
 - (8) a provision requiring the appraisal firm to deliver a report of the assessed value of each parcel in a township in the qualifying county to the ~~state board department of tax commissioners~~; **local government finance**; and
 - (9) any other provisions required by the state board of tax commissioners.
- (d) After receiving the report of assessed values from the appraisal firm, the ~~state board department of tax commissioners local government finance~~ shall give notice to the taxpayer and the county assessor, by mail, of the amount of the reassessment. The notice of reassessment is subject to appeal by the taxpayer to the ~~state Indiana board of tax commissioners~~. Except as provided in subsection (e), the procedures and time limitations that apply to an appeal to the ~~state Indiana board of tax commissioners~~ of a determination of the county property tax assessment board of appeals under IC 6-1.1-15 apply to an appeal under this subsection. A determination by the ~~state Indiana board of tax commissioners~~ of an appeal under this subsection is subject to appeal to the tax court under IC 6-1.1-15.
- (e) In order to obtain a review by the ~~state Indiana board of tax commissioners~~ under subsection (d), the taxpayer must file a petition for review with the appropriate county assessor within forty-five (45) days after the notice of the ~~state board department of tax commissioners local government finance~~ is given to the taxpayer under subsection (d).
- (f) The ~~state board department of tax commissioners local government finance~~ shall mail the notice required by subsection (d) within ninety (90) days after the board receives the report for a parcel from the professional appraisal firm.
- (g) The cost of a contract under this section shall be paid from the property reassessment fund of the qualifying county established under ~~IC 6-1.1-4-27~~; **section 27.5 of this chapter**.
- (h) Notwithstanding IC 4-13-2, a period of seven (7) days is permitted for each of the following to review and act under IC 4-13-2 on a contract of the ~~state board department of tax commissioners local government finance~~ under this section:
- (1) The commissioner of the department of administration.
 - (2) The director of the budget agency.
 - (3) The attorney general.
 - (4) The governor.

A contract issued under this section by the state board of tax commissioners shall be treated as the contract of the department of local government finance for all purposes.

(i) With respect to a general reassessment of real property to be completed under ~~IC 6-1.1-4-4~~ **section 4 of this chapter** for an assessment date after the March 1, ~~2002~~; **2003**, assessment date, the ~~state board department of tax commissioners local government finance~~ shall initiate a review with respect to the real property in a qualifying county or a township in a qualifying county, or a portion of the real property in a qualifying county or a township in a qualifying county. The ~~state board department of local government finance~~ may contract to have the review performed by an appraisal firm. The ~~state board department of local government finance~~ or its contractor shall determine for the real property under consideration and for the qualifying county or township the variance between:

- (1) the total assessed valuation of the real property within the qualifying county or township; and
 - (2) the total assessed valuation that would result if the real property within the qualifying county or township were valued in the manner provided by law.
- (j) If:
- (1) the variance determined under subsection (i) exceeds ten percent (10%); and
 - (2) the ~~state board of tax commissioners department of local government finance~~ determines after holding hearings on the matter that a special reassessment should be conducted;
- the ~~state board department of local government finance~~ shall contract for a special reassessment by an appraisal firm to correct the valuation of the property.
- (k) If the variance determined under subsection (i) is ten percent (10%) or less, the ~~state board department of tax commissioners local government finance~~ shall determine whether to correct the valuation of the property under:
- (1) sections 9 and 10 of this chapter; or
 - (2) IC 6-1.1-14-10 and IC 6-1.1-14-11.
- (l) The ~~state board department of tax commissioners local government finance~~ shall give notice by mail to a taxpayer of a hearing concerning the ~~state board's intent of the department of local government finance~~ to cause the taxpayer's property to be reassessed under this section. The time fixed for the hearing must be at least ten (10) days after the day the notice is mailed. The ~~state board department of local government finance~~ may conduct a single hearing under this section with respect to multiple properties. The notice must state:
- (1) the time of the hearing;
 - (2) the location of the hearing; and
 - (3) that the purpose of the hearing is to hear taxpayers' comments and objections with respect to the ~~state board's intent of the department of local government finance~~ to reassess property under this chapter.
- (m) If the ~~state board department of tax commissioners local government finance~~ determines after the hearing that property should be reassessed under this section, the ~~state board department of local government finance~~ shall:
- (1) cause the property to be reassessed under this section;
 - (2) mail a certified notice of its final determination to the county auditor of the qualifying county in which the property is located; and
 - (3) notify the taxpayer by mail of its final determination.
- (n) A reassessment may be made under this section only if the notice of the final determination under subsection (l) is given to the taxpayer within the same period prescribed in IC 6-1.1-9-3 or IC 6-1.1-9-4.
- (o) If the ~~state board department of tax commissioners local government finance~~ contracts for a special reassessment of property under this section, the ~~state board department of local government finance~~ shall forward the bill for services of the contractor to the county auditor, and the county shall pay the bill from the county reassessment fund.

(p) A township assessor in a qualifying county or a county assessor of a qualifying county shall provide information requested in writing by the ~~state board department of tax commissioners local government finance~~ or the ~~state board's~~ its contractor under this section not later than seven (7) days after receipt of the written request from the state board or the contractor. If a township assessor or county assessor fails to provide the requested information within the time permitted in this subsection, the ~~state board department of tax commissioners local government finance~~ or the ~~state board's~~ its contractor may seek an order of the tax court under IC 33-3-5-2.5 for production of the information.

(q) The provisions of this section are severable in the manner provided in IC 1-1-1-8(b).

SECTION 3. IC 6-1.1-4-33 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 33. (a) This section applies only to property taxes first due and payable in 2003.**

(b) Notwithstanding the rulemaking authority granted to the department of local government finance under IC 6-1.1, the repeal of various provisions in 50 IAC 2.2 by LSA Document #00-108, and the repeal of various provisions in 50 IAC 5.1 by LSA Document #01-347, the determination of the assessed value of tangible real property on an assessment date in calendar year 2002 shall be made in accordance with the:

- (1) statutes; and
- (2) rules of the state board of tax commissioners (before its termination);

in effect on July 1, 2001, and any statute enacted by the general assembly in 2002 that applies to an assessment date in 2002.

(c) This section expires January 1, 2004.

SECTION 4. IC 6-3.1-24 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]:

Chapter 24. Venture Capital Investment Tax Credit

Sec. 1. As used in this chapter, "pass through entity" means:

- (1) a corporation that is exempt from the adjusted gross income tax under IC 6-3-2-2.8(2);
- (2) a partnership;
- (3) a limited liability company; or
- (4) a limited liability partnership.

Sec. 2. As used in this chapter, "qualified Indiana business" means an independently owned and operated business that is certified as a qualified Indiana business by the department of commerce under section 7 of this chapter.

Sec. 3. As used in this chapter, "qualified investment capital" means debt or equity capital that is provided to a qualified Indiana business.

Sec. 4. As used in this chapter, "state tax liability" means a taxpayer's total tax liability that is incurred under:

- (1) IC 6-2.1 (the gross income tax);
- (2) IC 6-2.5 (state gross retail and use tax);
- (3) IC 6-3-1 through IC 6-3-7 (the adjusted gross income tax);
- (4) IC 6-3-8 (the supplemental corporate net income tax);
- (5) IC 6-5-10 (the bank tax);
- (6) IC 6-5-11 (the savings and loan association tax);
- (7) IC 6-5.5 (the financial institutions tax); and
- (8) IC 27-1-18-2 (the insurance premiums 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. 5. As used in this chapter, "taxpayer" means an individual or entity that has any state tax liability.

Sec. 6. A taxpayer that provides qualified investment capital to a qualified Indiana business is entitled to a credit against the person's state tax liability in a taxable year equal to the amount specified in section 10 of this chapter.

Sec. 7. (a) The department of commerce shall certify that a business is a qualified Indiana business if the department determines that the business:

- (1) is a high growth company that:
 - (A) is entering a new product or process area;

(B) has a substantial number of employees in jobs:

- (i) requiring postsecondary education or its equivalent; or
- (ii) that are in occupational codes classified as high skill by the Bureau of Labor Statistics, United States Department of Labor; and

(C) has a substantial number of employees that earn at least one hundred fifty percent (150%) of Indiana per capita personal income;

- (2) has its headquarters in Indiana;
- (3) is primarily focused on research and development, technology transfers, or the application of new technology or is determined by the department of commerce to have significant potential to:

- (A) bring substantial capital into Indiana;
- (B) create jobs;
- (C) diversify the business base of Indiana; or
- (D) significantly promote the purposes of this chapter in any other way;

(4) has had average annual revenues of less than ten million dollars (\$10,000,000) in the two (2) years preceding the year in which the business received qualified investment capital from a taxpayer claiming a credit under this chapter;

- (5) has:**
- (A) at least fifty percent (50%) of its employees residing in Indiana; and
 - (B) at least seventy-five percent (75%) of its assets located in Indiana; and

(6) is not engaged in a business involving:

- (A) real estate;
- (B) real estate development;
- (C) insurance;
- (D) professional services provided by an accountant, a lawyer, or a physician;
- (E) retail sales, except when the primary purpose of the business is the development or support of electronic commerce using the Internet; or
- (F) oil and gas exploration.

(b) A business shall apply to be certified as a qualified Indiana business on a form prescribed by the department.

(c) If a business is certified as a qualified Indiana business under this section, the department shall provide a copy of the certification to the investors in the qualified Indiana business for inclusion in tax filings.

(d) The department may impose an application fee of not more than two hundred dollars (\$200).

Sec. 8. (a) A certification provided under section 7 of this chapter must include notice to the investors of the maximum amount of tax credits available under this chapter for the provision of qualified investment capital to the qualified Indiana business.

(b) The maximum amount of tax credits available under this chapter for the provision of qualified investment capital to a particular qualified Indiana business equals the lesser of:

- (1) the total amount of qualified investment capital provided to the qualified Indiana business in the calendar year, multiplied by twenty percent (20%); or
- (2) two hundred fifty thousand dollars (\$250,000).

Sec. 9. (a) The total amount of tax credits that may be allowed under this chapter in a particular calendar year may not exceed five million dollars (\$5,000,000).

(b) Notwithstanding the other provisions of this chapter, a taxpayer is not entitled to a credit for providing qualified investment capital to a qualified Indiana business before January 1, 2004, or after December 31, 2007.

Sec. 10. Subject to sections 8 and 13 of this chapter, the amount of the credit to which a taxpayer is entitled under section 6 of this chapter equals the product of:

- (1) twenty percent (20%); multiplied by
- (2) the amount of the qualified investment capital provided to a qualified Indiana business by the taxpayer in the taxable year.

Sec. 11. If a pass through entity is entitled to a credit under section 6 of this chapter but does not have state tax liability against which the tax credit may be applied, a shareholder, partner, or member of the pass through entity is entitled to a tax credit equal to:

- (1) the tax credit determined for the pass through entity for the taxable year; multiplied by
- (2) the percentage of the pass through entity's distributive income to which the shareholder, partner, or member is entitled.

Sec. 12. If the amount of the credit determined under section 10 of 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 the following taxable years. The amount of the credit carryover from a taxable year shall be reduced to the extent that the carryover is used by the taxpayer to obtain a credit under this chapter for any subsequent taxable year. A taxpayer is not entitled to a carryback.

Sec. 13. (a) To receive the credit provided by this chapter, a taxpayer must claim the credit on the taxpayer's state tax return or returns in the manner prescribed by the department. The taxpayer shall submit to the department proof that the taxpayer provided qualified investment capital to a qualified Indiana business and all information that the department determines is necessary for the calculation of the credit provided by this chapter.

(b) The department shall record the time of filing of each return claiming a credit under section 6 of this chapter and shall, except as provided in subsection (c), grant the credit to the taxpayer, if the taxpayer otherwise qualifies for a tax credit under this chapter, in the chronological order in which the return is filed in the calendar year.

(c) If the total credits approved under this section equal the maximum amount allowable in a calendar year, a return claiming the credit filed later in that calendar year may not be approved.

SECTION 5. [EFFECTIVE JULY 1, 2002] IC 6-3.1-24, as added by this act, applies to taxable years beginning after December 31, 2003.

SECTION 6. [EFFECTIVE UPON PASSAGE] (a) The definitions in IC 6-1.1-1 apply throughout this SECTION.

(b) Subject to subsection (c), the effective date of 50 IAC 2.3, 50 IAC 5.2 (to the extent that it applies to the assessment of real property), or any other rule to the extent that it applies to the assessment of real property and is adopted by the state board of tax commissioners or the department of local government finance after January 1, 2001, and March 1, 2003, are delayed and first apply to assessment dates after January 1, 2003. This subsection does not prohibit the department of local government finance from issuing procedural rules or guidelines or prescribing forms that are consistent with the requirements of subsection (c).

(c) 50 IAC 2.3 (including the 2002 Real Property Assessment Manual and the Real Property Assessment Guidelines for 2002-Version A) and any other rule adopted by the state board of tax commissioners or the department of local government finance is void to the extent that it establishes a shelter allowance for real property used as a residence."

Page 1, line 8, delete "2003" and insert "2004".

Page 1, line 13, delete "2002" and insert "2003".

Page 1, line 15, delete "2003,".

Renumber all SECTIONS consecutively.

(Reference is to SB 502 as printed January 25, 2002.)

and when so amended that said bill do pass.

Committee Vote: yeas 21, nays 2.

BAUER, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Public Health, 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 16, line 39, delete "2000" and insert "2001".

Page 17, line 30, strike "fifty".

Page 17, line 30, strike "(150%)" and insert "(100%)".

Page 18, line 13, after "Distribute" insert "to an eligible hospital described in subsection (d) an amount equal to the greater of: (A)".

Page 18, line 16, delete "office." and insert "office; or

(B) an amount equal to reimbursement payable to the hospital as allowed under the Medicaid upper payment limit reimbursement methodology."

Page 18, line 34, after "to" insert "or less than".

Page 18, line 36, delete "2000" and insert "2002".

Page 18, line 37, after "equal to" insert "or less than".

Page 19, line 33, delete "(i)".

Page 19, line 33, strike "For purposes of STEP THREE of subsection".

Page 19, line 33, delete "(c),".

Page 19, line 33, strike "if".

Page 19, strike lines 34 through 39.

Page 22, line 28, delete "2002" and insert "2004".

Page 22, line 41, delete "IC 16-20" and insert "IC 16-21".

Page 23, line 3, delete "2002" and insert "2004".

Page 23, line 7, delete "2000" and insert "1998".

Page 23, line 8, delete "2001" and insert "1999".

(Reference is to SB 504 as printed January 30, 2002.) and when so amended that said bill do pass.

Committee Vote: yeas 12, nays 0.

C. BROWN, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Public Policy, Ethics and Veterans Affairs, to which was referred Engrossed Senate Bill 506, 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 2-5-1.1-17 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 17. (a) Any unused appropriations made for the purpose of printing or distributing legislative bills, the Indiana Code, the Indiana Administrative Code, the Indiana Register, the Acts of Indiana, or other legislative documents shall be transferred by the executive director of the legislative services agency to the fund established under this section. The council or its personnel subcommittee may transfer other unused appropriations to the fund.**

(b) There is established a fund for the purposes of subsection (a). Money in the fund at the end of the state fiscal year does not revert to the state general fund but remains available for expenditure as provided by law. Interest earned by the fund shall remain in the fund."

Renumber all SECTIONS consecutively.

(Reference is to SB 506 as printed February 1, 2002.) and when so amended that said bill do pass.

Committee Vote: yeas 11, nays 1.

KUZMAN, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Human Affairs, to which was referred Engrossed Senate Bill 509, 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 12-7-2-102.5 IS ADDED TO THE INDIANA CODE AS A **NEW SECTION TO READ AS FOLLOWS** [EFFECTIVE JULY 1, 2002]: **Sec. 102.5. "Health care professional", for purposes of IC 12-17.2, means:**

(1) a licensed physician; or

(2) an advanced practice nurse."

Page 1, line 5, delete "physician" and insert "**health care professional**".

Page 2, line 1, delete "physician" and insert "**health care professional**".

Page 2, line 4, delete "physician" and insert "**health care professional**".

Page 2, line 10, delete "physician" and insert "**health care professional**".

Page 2, line 22, delete "physician" and insert "**health care professional**".

Page 2, line 31, delete "physician" and insert "**health care professional**".

Page 3, line 1, delete "physician" and insert "**health care professional**".

Page 3, line 4, delete "physician" and insert "**health care professional**".

Renumber all SECTIONS consecutively.

(Reference is to SB 509 as printed January 30, 2002.)

and when so amended that said bill do pass.

Committee Vote: yeas 10, nays 0.

SUMMERS, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Local Government, to which was referred Engrossed Senate Joint Resolution 12, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said resolution do pass.

Committee Vote: yeas 9, nays 0.

STEVENSON, Chair

Report adopted.

OTHER BUSINESS ON THE SPEAKER'S TABLE

Referrals to Ways and Means

The Speaker announced, pursuant to House Rule 127, that Engrossed Senate Bills 304 and 458 had been referred to the Committee on Ways and Means.

HOUSE MOTION

Mr. Speaker: I move that when we do adjourn, we adjourn until Monday, February 25, 2002 at 10:00 a.m.

HASLER

Motion prevailed.

HOUSE MOTION

Mr. Speaker: I move that Representatives Alderman and Kuzman be added as cosponsors of Engrossed Senate Bill 19.

C. BROWN

Motion prevailed.

HOUSE MOTION

Mr. Speaker: I move that House Rule 106.1 be suspended for the purpose of adding more than three cosponsors and that Representatives Pelath, Welch, Becker, Borrer, T. Brown, C. Brown, Hasler, Crawford, Day, Moses, and Budak be added as cosponsors of Engrossed Senate Bill 213.

CROSBY

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 Dillon be added as cosponsor of Engrossed Senate Bill 243.

HASLER

Motion prevailed.

HOUSE MOTION

Mr. Speaker: I move that Representative Ayres be added as cosponsor of Engrossed Senate Bill 249.

HASLER

Motion prevailed.

HOUSE MOTION

Mr. Speaker: I move that Representative Kuzman be added as cosponsor of Engrossed Senate Bill 360.

GOODIN

Motion prevailed.

HOUSE MOTION

Mr. Speaker: I move that Representative Cook be added as cosponsor of Engrossed Senate Bill 365.

WOLKINS

Motion prevailed.

HOUSE MOTION

Mr. Speaker: I move that Representative Murphy be added as cosponsor of Engrossed Senate Bill 491.

HASLER

Motion prevailed.

On the motion of Representative Hasler the House adjourned at 12:20 p.m., this twenty-first day of February, 2002, until Monday, February 25, 2002, at 10:00 a.m.

JOHN R. GREGG

Speaker of the House of Representatives

LEE ANN SMITH

Principal Clerk of the House of Representatives